



Section 67 of the Competition Act (Cap. 50B)

Notice of Interim Measures Directions

Acquisition of Uber's Southeast Asian business by Grab and Uber's acquisition of a 27.5 per cent stake in Grab

Date: 13 April 2018

Case number: 500/001/18

TABLE OF CONTENTS

I. BACKGROUND	3
II. INTERIM MEASURES DIRECTIONS	4
III. GROUNDS FOR INTERIM MEASURES DIRECTIONS	7
A. Legal Framework	7
B. Reasonable grounds for suspecting that the section 54 prohibition has been infringed	10
(i) The Transaction	10
(ii) Competition Issues	11
(iii) Standard of Proof	12
(iv) Counterfactual	14
(v) Relevant Market	15
(vi) Market Structure	18
(vii) Competition Assessment	24
(viii) Efficiencies	28
C. Prevent prejudice to the giving of any direction under section 69 of the Act	29
IV. CONCLUSION	35

I. BACKGROUND

1. On Monday, 26 March 2018, Grab¹ announced that it has acquired Uber's² Southeast Asian business, with Uber acquiring a 27.5 per cent stake in Grab³ (the "Transaction").
2. Prior to the aforesaid announcement, there had been news reports of such a potential transaction. On 9 March 2018, the Competition and Consumer Commission of Singapore ("CCCS")⁴ sent a letter to Uber and Grab (each a "Party", and collectively referred to as the "Parties"), explaining Singapore's merger notification regime and CCCS's corresponding powers to investigate, give directions, impose financial penalties and/or impose interim measures on merging parties. On 19 March 2018, Uber sent a letter informing CCCS that it will reach out to CCCS in the event it enters into an agreement that has effects on competition in Singapore.
3. After the announcement of the Transaction, CCCS sent a second letter dated 26 March 2018 to the Parties requesting for clarifications on several matters, including the date that the Parties intend to file the merger notification to CCCS.
4. CCCS notes that Uber and Grab have announced, [REDACTED],⁵ that they are, and have begun, transferring Uber's assets (including information and data) to Grab and migrating Uber drivers and riders to Grab's ride-hailing platform.⁶ CCCS further notes that Uber has started redirecting its riders to download the Grab app, and informing them that the Uber service will be available in Southeast Asia until 8 April 2018, while Uber drivers are on-boarded to Grab's ride-hailing platform.⁷
5. On 27 March 2018, CCCS commenced an investigation into the Transaction under section 62 of the Competition Act (Cap. 50B) (the "Act") as there were reasonable grounds for suspecting that section 54 of the Act has been infringed.
6. On 28 March 2018, at about 9.47 a.m., CCCS received the Parties' joint response [REDACTED].⁸
7. On 30 March 2018, CCCS issued its Notice of Proposed Interim Measures Directions⁹ ("Proposed IMD"), which was brought to the notice of, *inter alia*:

¹ All references to "Grab" in this Notice may refer to Grab Inc., and its subsidiaries and any other related entities including but not limited to GrabCar Pte. Ltd., GrabTaxi Holdings Pte. Ltd., GrabTaxi Pte. Ltd., Grab Rentals Pte. Ltd. and Grab Rentals 2 Pte. Ltd.

² All references to "Uber" in this Notice may refer to Uber Technologies, Inc., and its subsidiaries and any other related entities including but not limited to Uber Singapore Technology Pte. Ltd., Lion City Holdings Pte. Ltd., Lion City Rentals Pte. Ltd., Lion City Automobiles Pte. Ltd., and LCRF Pte. Ltd..

³ [Grab Merges with Uber in Southeast Asia](#), Grab, 26 March 2018.

⁴ CCCS was named the Competition Commission of Singapore ("CCS") prior to 1 April 2018. Where appropriate, references to CCCS in this Notice may refer to CCS.

⁵ Paragraphs 1.6 to 1.11 of the Parties' joint response to CCCS dated 28 March 2018.

⁶ [Grab Merges with Uber in Southeast Asia](#), Grab, 26 March 2018; Emails sent to riders on 26 March 2018 from Uber ("*Important announcement: Uber combining operations with Grab in Singapore*" and "*Important Terms Update*") and Grab ("*Welcome Uber to the Grab family*"); Email sent to drivers on 27 March 2018 from Uber ("*Important Terms Update*") obtained by CCCS from [REDACTED].

⁷ [Welcome Uber to the Grab family](#), Grab (accessed on 11 April 2018).

⁸ Paragraphs 1.1 to 1.5 of the Parties' joint response to CCCS dated 28 March 2018.

⁹ CCCS's Notice of Proposed IMD dated 30 March 2018.

- (a) Grab Holdings Inc.;
- (b) Grab Inc.;
- (c) GrabCar Pte. Ltd.; and
- (d) Uber Singapore Technology Pte. Ltd.,

(collectively referred to as the “IMD Parties”).

- 8. The Proposed IMD required the IMD Parties, *inter alia*, to not take such action that may lead to the integration of the Parties’ businesses in Singapore, reduce the viability and saleability of the Parties’ businesses and prejudice the giving of any direction by CCCS under section 69 of the Act in any manner.
- 9. The Parties submitted written representations on 4 and 6 April 2018,¹⁰ which included proposals for alternative interim measures for CCCS’s consideration. CCCS has considered the Parties’ written representations together with information it has obtained from third-parties.

II. INTERIM MEASURES DIRECTIONS

- 10. CCCS hereby makes the Interim Measures Directions (“IMD”) as set out in paragraphs 11 to 27 below pursuant to section 67(1A) of the Act for the purpose of preventing action that may prejudice the giving of directions under section 69 of the Act.
- 11. The IMD takes effect immediately from the date it is issued and shall have effect until the completion of CCCS’s review and/or resolution¹¹ of any competition concerns that may arise from the Transaction¹² or unless otherwise varied or revoked by CCCS (the “Stipulated Period”).

Maintenance of pre-Transaction pricing and commission levels

- 12. The Parties shall ensure that the Uber ride-hailing platform will continue to be available in Singapore until 7 May 2018, with basic customer support to handle contractual and payment issues for riders and drivers.
- 13. Each Party shall maintain their pre-Transaction independent pricing, pricing policies and product options in relation to the chauffeured personal point-to-point transport passenger and/or booking services (“CPPT Services”) market during the Stipulated Period.¹³ In particular, Grab shall:

¹⁰ Written Representations of Grab Holdings Inc., Grab Inc., and GrabCar Pte Ltd dated 4 April 2018 (“Grab’s 4th April Written Representations”), Written Representations of Grab Holdings Inc., and Grab Inc., and GrabCar Pte Ltd dated 6 April 2018 (“Grab’s 6th April Written Representations”) (collectively, “Grab’s Written Representations”) and Written Representations of Uber Singapore Technology Pte. Ltd. dated 4 April 2018 (“Uber SG’s Written Representations”).

¹¹ Section 60A of the Act provides that CCCS may accept commitments at any time before making a decision on a merger. Refer to paragraph 6.8 of the *CCCS Guidelines on Merger Procedures 2012*.

¹² CCCS adopts a two-phase approach in evaluating merger applications. The administrative timelines for CCCS’s evaluation of merger applications is set out in the *CCCS Guidelines on Merger Procedures 2012*.

¹³ CCCS notes that Grab has stated in its media release that Grab has always focused on both its drivers’ and riders’ needs, and will continue to provide a variety of safe and affordable transport services for customers in Southeast Asia ([Welcome Uber to the Grab family \(Passenger FAQ\)](#), Grab (accessed on 11 April 2018)).

- (a) Maintain its pre-Transaction algorithm pricing matrix (for those variables that Grab is able to control) for Grab's ride-hailing services which existed on its ride-hailing platform in Singapore prior to the Transaction, which includes that Grab shall not adjust the surge factor and base fares beyond the surge factor cap [X] and base fares at the levels as of 25 March 2018, [X]:¹⁴
- i. [X];
 - ii. [X];
 - iii. [X];
 - iv. [X];
 - v. [X];
 - vi. [X]; and
 - vii. [X].

This sub-paragraph shall not apply to any new services offered by Grab after 25 March 2018, provided that such new services shall not replace or vary the services available pre-Transaction or render the IMD set out in this sub-paragraph substantially ineffective.

- (b) Ensure its driver commission rates under pre-Transaction commission structures shall not exceed the following pre-Transaction levels:

[X].

This sub-paragraph shall not apply to any new commission structures introduced by Grab after 25 March 2018, provided that such new commission structures shall not replace or vary the commission structures available pre-Transaction or render this sub-paragraph substantially ineffective.

Preserving driver and rider optionality

14. In relation to drivers and riders in Singapore who were on the Uber ride-hailing platform, each Party shall clearly communicate through an email to these drivers and riders, that migration to the Grab ride-hailing platform is purely optional (i.e. drivers have a choice whether to migrate to Grab and are not required to download or use Grab's ride-hailing platform).

Holding Parties' operational data separate

15. The Parties shall ensure that Grab shall not receive operational data (e.g. historical trip data) that it has acquired from Uber. In addition, Grab may only retain the personal data of drivers, riders and merchants (e.g. names, contact details, and supporting documents for vocation licence application) who have chosen of their own accord to expressly opt in and move to the Grab ride-hailing platform to the extent necessary to facilitate the on-boarding process of such users and to provide services to them.

¹⁴ [X].

Removal of exclusivity obligations and impediments to market contestability

16. Grab shall ensure that new drivers entering into an agreement to drive on Grab's ride-hailing platform of their own accord after the completion of the Transaction ("New Drivers") are not subject to any exclusivity obligations, lock-in periods and/or termination fees ("Non-Exclusivity"). Grab shall ensure that New Drivers are not penalised, directly or indirectly, due to the Non-Exclusivity.
17. The Parties shall ensure that drivers who rent a vehicle from Lion City Rentals Pte. Ltd. ("LCR") are at liberty to use such vehicles from LCR to drive for any ride-hailing platform providing CPPT Services and there shall be no discriminatory terms or any other impediments (e.g. in relation to rental rates and/or insurance coverage) that limit their ability to drive for any ride-hailing platform. Grab shall clearly communicate the above through an email to these drivers.
18. Grab shall cease its exclusivity arrangements with all taxi fleets in Singapore, provided that (a) there are no exclusivity arrangements in Singapore between any taxi fleets and any third-party ride-hailing platform other than Grab, and (b) that all taxi operators permit their respective taxi drivers to drive for any third-party ride-hailing platform for standard fare and fixed fare jobs.
19. [~~§~~].
20. [~~§~~].

Compliance with IMD

21. Grab shall appoint a Monitoring Trustee to monitor Grab's compliance with this IMD within 7 days of this IMD. CCCS shall have the discretion to approve or reject the proposed Monitoring Trustee and to approve the terms and conditions of appointment of the Monitoring Trustee and the audit plan subject to any modifications it deems necessary for the Monitoring Trustee to effectively fulfill its obligations:
 - (a) If only one name is approved, the Parties shall appoint or cause to be appointed, the individual or institution as Monitoring Trustee, in accordance with the terms and conditions of appointment approved by CCCS; and
 - (b) If more than one name is approved, the Parties shall be free to choose the Monitoring Trustee to be appointed from among the names approved.
22. If any of the actions prohibited by the IMD has occurred prior to the date of issuance of the IMD, the Parties shall address the adverse effects (if any) of such actions immediately following the date of issuance of the IMD, by procuring the reversal of these actions and/or taking such other actions as agreed with CCCS, including proper communication of the reversal arrangements to all affected parties and/or relevant stakeholders.
23. At all times, and as soon as is reasonably practicable, the Parties shall actively keep CCCS informed of any material developments which may have an impact on the IMD or CCCS's investigations.

24. If any of the Parties has any reason to suspect that any direction of the IMD might have been breached, it shall immediately notify CCCS.
25. This IMD is addressed to the IMD Parties, who shall procure that each of their subsidiaries and related companies complies with this IMD.

Material changes in market conditions and CCCS's discretion to vary, suspend and revoke IMD

26. If any of the following events (each a "Trigger Event") which may represent a material change in market conditions, occurs and either Party notifies CCCS of the event ("Notification of Event"), CCCS will not enforce this IMD on the notifying Party, or impose any sanction for the notifying Party's non-compliance with this IMD, from the time of the Notification of Event until such time when CCCS makes a finding that the grounds and evidence provided by the Parties are insufficient to demonstrate that the Trigger Event has occurred and informs the notifying Party of the same:
 - (a) a Significant Competitor, defined as a new player who is able to enter the CPPT Services market in a likely, timely and sufficient manner¹⁵ *and* does not have any direct or indirect common ownership or control with Grab, offers contracts to drivers in Singapore to sign up for its ride-hailing platform in Singapore;
 - (b) riders are able to book a ride within Singapore through a Significant Competitor's ride-hailing platform in Singapore;
 - (c) a Significant Competitor enters into a collaboration agreement or similar arrangement with a taxi company to offer a ride-hailing service in Singapore;
 - (d) CDG launches a ride-hailing platform to offer its own chauffeured private-hire car ("CPHC") services in Singapore, or opens up its ride-hailing platform to third-party taxi or CPHC services in Singapore.
27. If any part of the IMD is rendered unnecessary by, for example, changes in market conditions, the Parties may apply to CCCS to vary, suspend or revoke the same. Notwithstanding the foregoing, CCCS shall be at liberty to vary, suspend or revoke any part of this IMD as CCCS considers appropriate provided that section 67 of the Act shall apply where CCCS gives any further directions.

III. GROUNDS FOR INTERIM MEASURES DIRECTIONS

A. LEGAL FRAMEWORK

28. Section 54(1) of the Act prohibits mergers which may result in a substantial lessening of competition within Singapore:

"Subject to section 55, mergers that have resulted, or may be expected to result, in a substantial lessening of competition within any market in Singapore for goods or services are prohibited."

¹⁵ Paragraphs 5.46 to 5.58 of the *CCCS Guidelines on the Substantive Assessment of Mergers 2016*.

29. Section 54(2) of the Act provides that a merger occurs if:

“(a) 2 or more undertakings, previously independent of one another, merge; (b) one or more persons or other undertakings acquire direct or indirect control of the whole or part of one or more other undertakings; or (c) the result of an acquisition by one undertaking (the first undertaking) of the assets (including goodwill), or a substantial part of the assets, of another undertaking (the second undertaking) is to place the first undertaking in a position to replace or substantially replace the second undertaking in the business or, as appropriate, the part concerned of the business in which that undertaking was engaged immediately before the acquisition.”

30. Section 2 of the Act defines “undertaking” to mean “any person, being an individual, a body corporate, an unincorporated body of persons or any other entity, capable of carrying on commercial or economic activities relating to goods or services”. The concept of an “undertaking” in section 2(1) of the Act covers any entity capable of carrying on commercial or economic activities, regardless of its legal status or the way in which it is financed.¹⁶

31. Singapore has a voluntary merger regime, meaning that there is no obligation or mandatory requirement for merger parties to notify their merger situation to CCCS, either before or after implementation of the merger. Merger parties who are concerned that their merger situation may infringe section 54 of the Act can choose to notify CCCS of the merger. The Act facilitates this process. Section 57 of the Act allows merger parties the option of notifying an anticipated merger to CCCS to apply for CCCS’s decision as to whether the merger will infringe the section 54 prohibition:¹⁷

“(1) A party to an anticipated merger of the relevant type which applies for the anticipated merger to be considered under this section shall — (a) notify the Commission of the anticipated merger; and (b) apply to it for a decision.”

32. Merger parties have to decide whether they should notify a merger to CCCS or at their own risk, proceed with an anticipated merger or to further integrate a merger while a notification or investigation is pending CCCS’s decision. To assist merger parties with planning and consideration of anticipated mergers, in particular at the stage when the merger parties are concerned to preserve the confidentiality of the transaction, CCCS has provided such parties with the ability to seek CCCS’s confidential advice on whether a merger is likely to raise competition concerns in Singapore and therefore whether a notification is advisable, with the necessary qualification that such advice is provided without having taken into account third-party views. Confidential advice is available if CCCS is satisfied that:

¹⁶ Case C-41/90 *Hofner and Elser v Macrotron GmbH* [1991] ECR I-1979, at [21]. Also see in particular, Joined Cases C-189/02 P, C-202/02 P, C-205/02 P to C-208/02 P and C-213/02 P *Dansk Rørindustri and others v European Commission* [2005] ECR I-5425, recital 112; Case C-222/04 *Cassa di Risparmio di Firenze and Others* [2006] ECR I-289, recital 107; Case C-205/03 P *FENIN v Commission*, [2006] ECR I-6295, at [25] and Case C-97/08 P *Akzo Nobel NV v Commission* [2009] ECR I-08237, at [54].

¹⁷ Paragraph 2.3 of the *CCCS Guidelines on Merger Procedures 2012*.

- (a) The merger must not be completed but there must be a good faith intention to proceed with the transaction;
 - (b) The merger must not be in the public domain except in exceptional circumstances;
 - (c) In CCCS's view, the merger situation must raise a genuine issue relating to the competition assessment in Singapore; and
 - (d) The requesting party or parties are expected to keep CCCS informed of significant developments in relation to the merger situation in respect of which confidential advice was obtained.¹⁸
33. Section 62(1)(d) of the Act provides that CCCS may conduct an investigation if there are reasonable grounds for suspecting that the section 54 prohibition has been infringed by any merger. As set out in the *CCCS Guidelines on Powers of Investigation 2016*, CCCS will assess the information available in each case to ascertain if there are reasonable grounds for suspicion that a prohibition has been infringed. Examples of information that may be a source of reasonable grounds for suspicion in relation to mergers would include information obtained from complaints from third-parties or its own market intelligence function.¹⁹
34. Section 67(1A) of the Act provides that CCCS has the power to issue interim directions in relation to mergers which have not been notified to it but are under investigation:²⁰
- “(1A) If the Commission has reasonable grounds for suspecting that the section 54 prohibition —*
- (a) will be infringed by an anticipated merger, if carried into effect; or*
 - (b) has been infringed by a merger,*
- but has not completed its investigations into the matter, and considers that it is necessary for it to act under this section —*
- (i) for the purpose of preventing any action that may prejudice —*
 - (A) the investigations; or*
 - (B) the giving of any direction under section 69; or*
 - (ii) as a matter of urgency for the purpose —*
 - (A) of preventing serious, irreparable damage to a particular person or category of persons; or*
 - (B) of protecting the public interest,*
- the Commission may give such directions as it considers appropriate for that purpose.”*
35. Section 69 of the Act provides that where CCCS has made a decision that any merger has infringed the section 54 prohibition, CCCS may give to such person as it thinks appropriate such directions as it considers appropriate to bring the infringement to an end and, where necessary, requiring that person to take such action as is specified in the direction to remedy, mitigate or eliminate any adverse effects of such infringement. As set out in the

¹⁸ Paragraphs 3.18 to 3.23 of the *CCCS Guidelines on Merger Procedures 2012*.

¹⁹ Paragraph 2.2 of the *CCCS Guidelines on Powers of Investigation 2016* and Paragraphs 3.13 to 3.17 of the *CCCS Guidelines on Merger Procedures 2012*.

²⁰ Paragraph 4.69 of the *CCCS Guidelines on Merger Procedures 2012*.

CCCS Guidelines on Enforcement 2016, directions may in particular require the person concerned to modify the agreement or conduct, or to terminate the agreement or cease the conduct in question.²¹

B. REASONABLE GROUNDS FOR SUSPECTING THAT THE SECTION 54 PROHIBITION HAS BEEN INFRINGED

36. CCCS is of the view that there are reasonable grounds for suspecting that the Transaction results in a substantial lessening of competition in the CPPT Services market and that the section 54 prohibition has been infringed.

(i) The Transaction

37. Based on Grab's media statement published on its website on 26 March 2018,²² Grab will take over Uber's "operations and assets" in Singapore, Malaysia, Cambodia, Indonesia, Myanmar, the Philippines, Thailand and Vietnam, and integrate Uber's ridesharing and food delivery business in the region into Grab's existing multi-modal transportation and fintech platform. In his email²³ to Uber staff explaining the rationale for the Transaction, Uber's CEO stated that "[o]ne of the potential dangers of our global strategy is that we take on too many battles across too many fronts and with too many competitors. This transaction now puts us in a position to compete with real focus and weight in the core markets where we operate, while giving us valuable and growing equity stakes in a number of big and important markets where we don't". As part of the acquisition, Uber will take a 27.5 per cent stake in Grab and Uber CEO Dara Khosrowshahi will join Grab's board.²⁴ Grab has also announced that to minimise disruption, Grab and Uber are working together to promptly migrate Uber drivers and riders, Uber Eats customers, merchant partners and delivery partners to the Grab platforms. According to Grab's announcement, the Uber app will continue to operate for two weeks (from 26 March 2018) to ensure stability for Uber drivers, who can find out how to sign-up to drive with Grab online.²⁵

38. In the Transaction, [REDACTED].²⁶

39. In addition, certain subsidiaries of [REDACTED] located in Singapore and other Southeast Asian countries sold assets located in such jurisdictions and agreed to transfer employees located in such jurisdictions to subsidiaries of Grab Holdings Inc. located in the relevant jurisdictions.²⁷

40. [REDACTED].²⁸

²¹ Paragraph 2.3 of the *CCCS Guidelines on Enforcement 2016*.

²² [Grab Merges with Uber in Southeast Asia](#), Grab, 26 March 2018; [Grab confirms acquisition of Uber in Southeast Asia; to expand Grabfood in region](#), ChannelNewsAsia, 26 March 2018; [Grab confirms acquisition of Uber's South-east Asia business; Uber gets 27.5% stake in Grab](#), The Straits Times, 26 March 2018.

²³ [A New Future for Uber and Grab in Southeast Asia](#), Uber, 25 March 2018.

²⁴ [Grab Merges with Uber in Southeast Asia](#), Grab, 26 March 2018.

²⁵ [Grab Merges with Uber in Southeast Asia](#), Grab, 26 March 2018.

²⁶ Paragraph 16 of Uber SG's Written Representations.

²⁷ Paragraph 17 of Uber SG's Written Representations.

²⁸ Paragraph 18 of Uber SG's Written Representations; Paragraph 2.2.1(i) of Grab's 4th April Written Representations.

41. Uber B.V. is a company organised under the laws of The Netherlands and is the operating entity for Uber’s business in almost all countries outside of the U.S., meaning it licenses the Uber apps and provides electronic services via the Uber apps to riders and drivers outside the U.S. [X].²⁹
42. [X].³⁰
43. The Transaction closed on 26 March 2018 Singapore time.³¹

The Transaction constitutes a merger under the Act

44. Pursuant to the Transaction, Grab will acquire Uber’s “operations and assets” in Singapore, Malaysia, Cambodia, Indonesia, Myanmar, the Philippines, Thailand and Vietnam, and integrate Uber’s ridesharing and food delivery business in the region into Grab’s existing multi-modal transportation and fintech platform.³² As part of the acquisition, Uber will take a 27.5 per cent stake in Grab and Uber CEO Dara Khosrowshahi will join Grab’s board.³³ CCCS also notes that the [X].³⁴ In these circumstances, CCCS considers that the Transaction constitutes a merger falling under section 54(2) of the Act.

(ii) Competition Issues

45. The Parties overlap in (i) the provision of CPPT Services through Uber and Grab’s respective ride-hailing platforms; and (ii) the rental of CPHCs (e.g. through Lion City Holdings Pte. Ltd. and Grab Rentals Pte. Ltd.).³⁵
46. Following Grab’s media statement published on its website on 26 March 2018,³⁶ CCCS has received 79 complaints from the public,³⁷ and a joint complaint³⁸ from the [X] and the [X] in relation to the Transaction, as of 9 April 2018. The concerns raised include the high market share and market power of the Parties post-Transaction; the lack of competitive constraints on the merged entity; and reduced choices, less advantageous contractual terms, higher fees and prices for both drivers and riders both in relation to the

²⁹ Paragraph 19 of Uber SG’s Written Representations.

³⁰ Paragraph 20 of Uber SG’s Written Representations.

³¹ Paragraph 21 of Uber SG’s Written Representations.

³² [Grab Merges with Uber in Southeast Asia](#), Grab, March 26 2018; [Grab confirms acquisition of Uber in Southeast Asia; to expand Grabfood in region](#), ChannelNewsAsia, March 26 2018; [Grab confirms acquisition of Uber’s South-east Asia business; Uber gets 27.5% stake in Grab](#), The Straits Times, March 26 2018.

³³ [Grab Merges with Uber in Southeast Asia](#), Grab, March 26 2018; [Grab confirms acquisition of Uber in Southeast Asia; to expand Grabfood in region](#), ChannelNewsAsia, March 26 2018; [Grab confirms acquisition of Uber’s South-east Asia business; Uber gets 27.5% stake in Grab](#), The Straits Times, March 26 2018.

³⁴ Paragraph 1.1 of the Parties’ joint response to CCCS dated 28 March 2018.

³⁵ CCCS notes that under the Transaction, Grab did not acquire Lion City Holdings Pte. Ltd. However, as of 13 April 2018, Uber still owns 100% of Lion City Holdings Pte. Ltd., while Grab, which Uber has acquired 27.5% of under the Transaction, owns Grab Rentals Pte Ltd.

³⁶ [Grab Merges with Uber in Southeast Asia](#), Grab, 26 March 2018.

³⁷ Refer to Annex A for summary of complaints.

³⁸ Complaint by [X] on behalf of the [X] and the [X] dated 26 March 2018.

CPPT Services market and the CPHC rental market.³⁹ CCCS also notes that concerns have been expressed about the Transaction in other forums.⁴⁰

47. In evaluating the potential impact of the Transaction, as part of its ongoing investigation which has not been completed, CCCS considers there to be reasonable grounds for suspecting that the Transaction will lead to the substantial lessening of competition in Singapore, in particular:
- (a) Non-coordinated effects in the CPPT Services market;
 - (b) Coordinated effects in the CPPT Services market; and
 - (c) Vertical effects in the taxi/CPHC rental market.

(iii) Standard of Proof

48. In their written representations, the Parties submitted that CCCS has no reasonable grounds for suspecting that the section 54 prohibition has been infringed.⁴¹ Specifically, Uber submitted that CCCS has not discharged its burden of proof in showing that there is a *prima facie* violation of the section 54 prohibition.⁴² While Uber accepts that “CCCS should be held to a low threshold when it needs to open an investigation” under section 62 of the Act, Uber rejects the principle that “reasonable grounds for suspecting” in section 67 of the Act should be accorded the same meaning as section 62 of the Act.⁴³ Instead, Uber seeks a different interpretation by citing EU legislation⁴⁴ and case law,⁴⁵ to argue that CCCS should be held to a higher standard of proof in demonstrating the existence of “reasonable grounds for suspecting” under section 67 of the Act.
49. CCCS is of the view that the threshold for demonstrating “reasonable grounds for suspecting” that the section 54 prohibition has been infringed by a merger, is the same under section 67 and section 62 of the Act.⁴⁶ Since section 67 and section 62 of the Act appear in the same Division 5 of Part III of the Act, the phrase “reasonable grounds for suspecting” should, *a fortiori*, be ascribed the same meaning:

³⁹ Refer to Annex A for summary of complaints.

⁴⁰ For example, [Grab-Uber deal sparks fears of price hike](#), The Straits Times, 26 March 2018.

⁴¹ Paragraph 2.3 and Annex 1 of Grab’s 4th April Written Representations; Paragraphs 30 to 39 of Uber SG’s Written Representations.

⁴² Paragraph 39 of Uber SG’s Written Representations.

⁴³ Paragraph 32 of Uber SG’s Written Representations.

⁴⁴ Article 8 of Regulation 1/2003.

⁴⁵ Case 792/79 R *Camera Care v Commission* ECLI:EU:C:1980:18; Case T-184/01 R *IMS Health v Commission* ECLI:EU:T:2001:259; Case C-481/01 P(R) *NDC Corporation v IMS Health* ECLI:EU:C:2002:223.

⁴⁶ It is an established rule of statutory interpretation that the same word or phrase is presumed to bear the same meaning throughout an Act, unless the context or contrary intention is shown: *Bennion on Statutory Interpretation*, 6th Edition, 2013, at 1090; See also, *Woon Brothers Investments Pte Ltd v Management Corporation Strata Title Plan No 461 and others* [2011] SGCA 43 at [19].

Section 67(1A)	Section 62(1)(d)
<p>“(1A) If the Commission has reasonable grounds for suspecting that the section 54 prohibition —</p> <p>(a) will be infringed by an anticipated merger, if carried into effect; or</p> <p>(b) has been infringed by a merger...”</p>	<p>“(1) The Commission may conduct an investigation if there are reasonable grounds for suspecting that ...</p> <p>... (d) the section 54 prohibition has been infringed by any merger.”</p>

[Emphasis added]

50. Further, section 67(1A) sets out explicitly the threshold of having “reasonable grounds for suspecting” an infringement of the section 54 prohibition with specific reference to a situation where CCCS “has not completed its investigations into the matter”. This emphatically indicates that the threshold considered under section 67 of the Act is that of the relevant threshold under section 62 of the Act for the commencement of the “investigation” referred to:

*“(1A) If the Commission has **reasonable grounds for suspecting** that the section 54 prohibition —*

(a) will be infringed by an anticipated merger, if carried into effect; or

(b) has been infringed by a merger,

***but has not completed its investigations into the matter, and considers that it is necessary for it to act under this section —...**”*

[Emphasis added]

51. When section 67(1A) of the Act was introduced in 2007 to empower CCCS to take pre-emptive action, it was stated explicitly in the parliamentary debates⁴⁷ that this power was to be exercised “*on the basis that the [C]CCS has reasonable grounds to suspect that a merger is anti-competitive*”. In view of the fact that parliament’s intention was made so explicitly clear when it was well within its contemplation that:⁴⁸ (i) Singapore has a voluntary merger regime; (ii) that pre-emptive action was meant to “*prevent parties from taking actions that would prejudice the consideration of the merger or to impose directions or remedies to address the competitive harm*”; and (iii) that the Act, as it was before the 2007 amendments, had already provided that the threshold for conducting an investigation under section 62 of the Act is “reasonable grounds for suspecting”, and any non-compliance with CCCS’s direction, if registered with the District Court under section 85 of the Act, may be subject to criminal penalties,⁴⁹ there is no room to doubt that the threshold for demonstrating “reasonable grounds for suspecting” that the section 54 prohibition has been infringed, is the same under section 67 and section 62 of the Act.
52. CCCS is also of the view that it is inappropriate to consider the EU standard of proof for the adoption of interim measures according to the EU legislation and case law as cited

⁴⁷ *Parliamentary Debates Singapore: Official Report*, vol 83 at col 730 (21 May 2007)(Mr Lee Yi Shyan).

⁴⁸ *Parliamentary Debates Singapore: Official Report*, vol 83 at col 728 to 730 (21 May 2007)(Mr Lee Yi Shyan).

⁴⁹ See the then Competition Act 2004, section 85.

by Uber. First, the EU standard of proof of a “*prima facie* finding of infringement” for the adoption of interim measures as reflected in Article 8 of Regulation 1/2003, is manifestly different from the wording of “reasonable grounds for suspecting” a section 54 infringement under section 67 of the Act. Second, Article 8 of Regulation 1/2003 and the case law cited by Uber do not address interim measures in the context of mergers, but rather, for infringements involving Article 101 and 102 of the Treaty on the Functioning of the EU. In this regard, it is apposite to note that under the EU Merger Regulation,⁵⁰ there is no mention of the need for a “*prima facie*” standard of proof under the equivalent provision of Article 8(5) in relation to the taking of interim measures in the context of mergers.⁵¹ Moreover, it should also be noted that under section 72 of the UK Enterprise Act 2002, which provides the UK Competition and Markets Authority (“CMA”) similar powers to impose measures against pre-emptive action⁵² in the context of mergers, the relevant threshold for imposing such measures is also on the basis of “reasonable grounds for suspecting” that two or more enterprises have ceased to be distinct⁵³ and/or that pre-emptive action has or may have been taken.⁵⁴

53. Further to the foregoing, it is also noteworthy that in the context of criminal cases, it is trite and long-established that the standard of proof in relation to “reasonable suspicion” and establishing a “*prima facie* case” are distinct.⁵⁵ Thus, had it been the intention of parliament for the “*prima facie* case” standard to apply under section 67 of the Act, that would have been reflected clearly in the wording of the section. Instead, the current wording of “reasonable grounds for suspecting” connotes that the suspicion must merely be based on a “factual substratum, which can be adjudged to be reasonable”.⁵⁶
54. For the foregoing reasons therefore, CCCS is of the view that the standard of proof for imposing the IMD is on the basis that it has “reasonable grounds for suspecting” that the section 54 prohibition has been infringed; and not that there is a “*prima facie*” violation of the section 54 prohibition.

(iv) Counterfactual

55. In the absence of the Transaction, CCCS notes evidence that the Parties would have continued to compete with one another and exert significant competitive constraints on each other, in particular, taking into consideration Uber’s collaboration with CDG, which was notified to CCCS in December 2017. Uber also launched the UberFlash service on 19 January 2018, which is similar to Grab’s JustGrab service. Uber had stated in a press

⁵⁰ Council Regulation (EC) No 139/2004 of 20 January 2004 on the control of concentrations between undertakings.

⁵¹ Article 8(5)(a) of the EU Merger Regulation allows the European Commission to take interim measures appropriate to restore or maintain effective competition where a concentration has been implemented and a decision as to its compatibility with the common market has not yet been taken.

⁵² “Pre-emptive action” means action which might prejudice the reference concerned or impede the taking of any action which may be justified by the CMA’s decisions on the reference: section 72(8) of the UK Enterprise Act 2002.

⁵³ Section 72(1)(b) of the UK Enterprise Act 2002.

⁵⁴ Section 72(3A)(b) of the UK Enterprise Act 2002.

⁵⁵ See *Ow Yew Beng v Public Prosecutor* [2002] SGHC 301, *Kong See Chew v Public Prosecutor* [2001] SGHC 89, and *Public Prosecutor v Wong Wee Keong and another appeal* [2016] SGHC 84, citing *Haw Tua Tau v PP* [1981] SGPC 1; and *Chee Siok Chin and others v Minister for Home Affairs and another* [2005] SGHC 216, citing *Shaaban v Chong Fook Kam* [1969] 2 MLJ 219.

⁵⁶ *Chee Siok Chin and others v Minister for Home Affairs and another* [2005] SGHC 216 at [103].

release that they expected UberFlash to have an overall positive impact and “*further [boost] [Uber’s] confidence in continuing [their] investment and momentum in Singapore for the long term.*”⁵⁷ Subsequently, on 25 February 2018, Uber issued a press release providing positive updates on the take-up of UberFlash, including a statement requesting the public to “*watch [the] space for more UberFLASH announcements in the coming months, as [Uber] improve[s] Singapore’s transport landscape.*”⁵⁸ CCCS further notes that Uber had also recently launched Uber Commute on 13 March 2018, as part of their “*[commitment] to being part of [the Singapore car-lite] vision.*”⁵⁹

56. CCCS notes the Parties’ submissions that Uber has made the irreversible decision to exit the market and there is no scenario where Uber will continue to operate in Singapore or the rest of Southeast Asia.⁶⁰ Uber also highlighted that the introduction of UberFlash and Uber Commute was not at significant cost such that it would only have been undertaken if Uber intended to stay for the long term to recoup such costs and is not evidence that Uber would have stayed in Singapore and continued to compete aggressively in the absence of the merger.⁶¹ However, the Parties have not provided evidence that Uber would have exited the Singapore market on 8 April 2018 in the absence of the Transaction. On the contrary, the corporate statement of intent from Uber’s CEO (in his email⁶² to Uber staff explaining the rationale for the Transaction) is clear evidence that in lieu of competing with Grab in Southeast Asia, Uber will be participating in Grab’s growth through the 27.5 per cent equity stake obtained in consideration for Uber exiting the markets in Southeast Asia. The evidence set out in the preceding paragraph gives CCCS reasonable grounds for suspecting that the exit from Singapore on 8 April 2018 was because of the Transaction.

(v) **Relevant Market**

57. Considering all the characteristics of the market, including its two-sided nature, CCCS has reasonable grounds for suspecting that the relevant market affected by the Transaction is the market for CPPT Services in Singapore. Based on the information available to CCCS at this juncture, CCCS is of the view that taxi services (including street hail) and CPHC services may be in the same relevant market. First, riders consider a combination of several factors in deciding on the mode of transportation to use and the factors considered when choosing a taxi or CPHC are similar. Secondly, the UberFlash service and JustGrab service that are offered by Uber and Grab respectively, match riders with the nearest vehicle, which includes taxis and CPHCs.⁶³ Notwithstanding the offering of the UberFlash service and the JustGrab service, at the app level, both Uber and Grab also offer separate services that allow for booking of CPHCs only and taxis only. Third,

⁵⁷ [Uber & ComfortDelGro’s New Service Lets You Get a Ride in a Flash](#), Uber, 17 January 2018; [UberFLASH is arriving now](#), Uber, 18 January 2018.

⁵⁸ [UberFLASH Gains Good Momentum with Riders and Drivers](#), Uber, 25 February 2018.

⁵⁹ [Uber Commute Launches in Singapore](#), Uber, 13 March 2018.

⁶⁰ Paragraphs 1 and 111 of Uber SG’s Written Representations; Paragraph 2.4.2(iv) of Grab’s 4th April Written Representations.

⁶¹ Paragraph 111 of Uber SG’s Written Representations.

⁶² [A New Future for Uber and Grab in Southeast Asia](#), Uber, 25 March 2018.

⁶³ [Uber & ComfortDelGro’s New Service Lets You Get a Ride in a Flash](#), Uber, 17 January 2018; [UberFLASH is arriving now](#), Uber, 18 January 2018; [JustGrab for the Nearest Fixed Fare GrabTaxi or GrabCar](#), Grab, 22 March 2017; and [Our cars & taxis come together to offer you the largest fleet in Singapore, so you can be on your way faster!](#), Grab (accessed 11 April 2018).

third-parties have commented that taxis and CPHCs compete for the same jobs and riders, as the perceived differences between taxis and CPHCs are not material and they essentially provide the same service of transporting passengers from point A to B.⁶⁴ Lastly, similar to CPHCs, the booking of taxis exhibits some features of a two-sided market, in that there are two distinct user groups (i.e. taxi drivers and riders) that provide each other with network benefits.⁶⁵

58. Uber submitted that the relevant market is two-sided and that CCCS did not consider the two-sided nature of the market. Specifically, Uber highlighted that CCCS only considered the rider side of the market and failed to consider the driver side of the market. Uber also submitted that CCCS's market definition is too narrow, and submitted that the relevant market on the rider side should include CPHCs, taxis (comprising street hails and other forms of booking taxis), all other forms of public transportation, which includes, without limitation, buses, shuttle coaches, MRT and LRT, social carpooling and bike-sharing, and private car usage. Uber also submitted that ridesharing companies compete for drivers in a broad labour market and that they are significantly constrained by the need to ensure that their services remain attractive relative to other occupations.⁶⁶ Grab did not make any submissions on what the relevant market should be, but submitted that CPPT Services faced competition from other forms of public transport and private car usage.⁶⁷
59. In relation to the Parties' submission that the market definition on the rider side is too narrow and should include all public transportation and private car usage, CCCS considers that, in defining the market, the issue is whether riders will switch from taxis and CPHCs to public transportation options and/or private car usage. In this regard, CCCS notes that riders consider a combination of several factors including price, reliability, convenience, availability, accessibility, comfort and travel time in deciding on the mode of transportation to use. Characteristics of CPPT Services from the riders' perspective include being chauffeured, point-to-point, on-demand, and generally with a shorter travel duration than most other modes of public transport.⁶⁸ CCCS is of the view that public transportation options may not be sufficiently close substitutes for commuters who value accessibility, time, and comfort.
60. As a case in point, Uber fares reportedly spiked to 4.3 times the usual fare following Grab's app outage on 3 April 2018.⁶⁹ During another outage on 6 April 2018, it was also reported that Uber's fares started spiking at around the same time when the Grab app started to malfunction.⁷⁰ If public transportation is a sufficiently close substitute to taxis and CPHCs for riders, it is unlikely that Uber's fares would have spiked to these levels as riders would seek out alternative means of transportation once the fares begin to surge beyond the regular levels. CCCS also notes that most CPPT riders are also not likely to

⁶⁴ Paragraph 46 of Notes of Meeting with [X] dated 4 January 2018; Paragraph 36 of Notes of Meeting with [X] dated 11 January 2018.

⁶⁵ CCCS has not determined the relevant market at this juncture. However, to be conservative, for the purposes of this IMD, CCCS has included street hail in its relevant market, even though street hail may not meet the conditions of a two-sided network, as every pair of driver and rider individually negotiates the hailing.

⁶⁶ Paragraphs 42 to 88 of Uber SG's Written Representations.

⁶⁷ Paragraph 2.4.2(i), (ii), (vi) and Annex 1 of Grab's 4th April Written Representations.

⁶⁸ [The Big Read: Why the Grab-Uber deal is making some uneasy](#), The Straits Times, 10 April 2018.

⁶⁹ [Uber fares surge following Grab App outage](#), ChannelNewsAsia, 3 April 2018.

⁷⁰ [Grab App down for second time in a week](#), ChannelNewsAsia, 6 April 2018

switch to purchasing their own private car given the high upfront costs of purchasing a car, especially in Singapore, due to the cost of obtaining a Certificate of Entitlement.⁷¹ There are also other costs, including but not limited to petrol consumption, car insurance, road tax, and the cost and time needed for the CPPT rider to procure a driving licence (if required). Further, CCCS notes that Uber did not submit the survey methodologies and full survey reports that were relied on by Uber in its submissions. As such, CCCS is not able to fully assess Uber's submissions.

61. In response to Uber's claim that they compete for drivers in the wide labour market,⁷² while there may well be other employment options for taxi and CPHC drivers, CCCS is of the view that it is unlikely that taxi and CPHC drivers have the ability to quickly and effectively switch to all other professions in view of the difference in working experience and skill sets required. The fact that thousands of Uber drivers have signed up with Grab since the Transaction was announced shows that many drivers would not view other employment options in the wide labour market as readily substitutable.⁷³
62. Uber submitted that the relevant market is two-sided, suggesting that the traditional Small but Significant and Non-transitory Increase in Price ("SSNIP") test cannot be applied as it is usually conceived.⁷⁴ This is because a firm in a two-sided market sells products or services to two distinct groups of consumers (drivers and riders in this case) and recognises that the demand from one type of consumer depends on the demand from the other type of consumer and vice versa, but consumers on the two sides of the market do not internalise these indirect network effects. Since there is a link between demands on both sides of the market, the profit function of the hypothetical monopolist who raises the price on one side of the market is linked to the other side of the market and the feedback between the profits on two sides of the market should be considered.⁷⁵ CCCS agrees with Uber's submission in this regard.
63. As the European Commission held in the *Visa Decision*.⁷⁶

*"the usage of different payment systems (and thus market shares) is determined by the inter-related decisions of consumers and merchants; . . . Consequently, in order that two different payment instruments be considered as substitutable and therefore included on the same relevant inter-system market, they must be substitutable for both consumers and merchants. If one or the other user of payment instruments considers two different payment instruments as not substitutable, then those two instruments are not substitutable on the inter-system market."*⁷⁷
64. Despite Uber's submission that the relevant market is two-sided, CCCS notes that Uber has raised various one-sided substitutes in its alleged wider market definition. For instance, Uber has not demonstrated that other transport options (e.g. buses, trains, social

⁷¹ [Certificate of Entitlement \(COE\)](#), LTA (accessed on 11 April 2018).

⁷² Paragraphs 78 to 85 of Uber SG's Written Representations.

⁷³ [Grab signs up 'thousands' of Uber Drivers](#), The Straits Times, 5 April 2018

⁷⁴ Paragraphs 50 to 53 of Uber SG's Written Representations.

⁷⁵ Paragraphs 50 to 53 of Uber SG's Written Representations.

⁷⁶ Commission Decision of 24 July 2002 relating to a proceeding under Article 81 of the EC Treaty and Article 53 of the EEA Agreement (Case No. COMP/29.373 – Visa International – Multilateral Interchange Fee) ("Visa Decision")

⁷⁷ Paragraph 46 of the Visa Decision.

carpooling and bike-sharing) are substitutes to drivers. Likewise, Uber has not demonstrated that any competitive constraints posed by the general labour market on the driver side would constitute substitution to a rider. Uber's submissions in this regard are therefore insufficient to address CCCS's view (as set out in paragraphs 57 to 63 above) that there are reasonable grounds for suspecting that the relevant market affected by the Transaction is the CPPT Services market.

65. Neither Grab nor Uber made any submission that the geographical market is wider or narrower than the whole of Singapore. CCCS is of the view that the relevant geographic market is likely to be national in scope (i.e. Singapore) as any ride-hailing platform that provides its services to drivers and riders in Singapore would have to supply these Singapore-specific services in Singapore. Within Singapore, drivers can chauffeur and riders can commute from anywhere to anywhere.
66. As such, CCCS has reasonable grounds for suspecting that the relevant market affected by the Transaction is the CPPT Services market in Singapore.
67. Given the close linkages between the CPPT Services market and the CPHC rental and taxi rental market ("rental market"), and that as part of the Transaction, Uber, who owns LCR, is acquiring 27.5 per cent of Grab, who owns GrabRentals, CCCS is of the view that the rental market is affected by the Transaction. In particular, CCCS notes that third-party feedback suggests that to a significant extent, drivers are able to switch between taxis and CPHCs, and taxi and CPHC rental companies compete with each other for drivers at the rental level.⁷⁸ Further, CCCS notes that regulations relating to provision of chauffeured personal point-to-point transport services are all Singapore-wide in nature. Hence, CCCS is of the view that the rental market is likely to be national in scope (i.e. Singapore).

(vi) **Market Structure**

Market shares and market concentration

68. As set out in the *CCCS Guidelines on the Substantive Assessment of Mergers 2016*, CCCS is generally of the view that competition concerns are unlikely to arise in a merger situation unless the merged entity will have a market share of 40% or more, or the merged entity will have a market share of between 20% to 40% and the post-merger CR3 is 70% or more.⁷⁹ CCCS notes that there are reasonable grounds for suspecting that the Parties' market shares are likely to exceed the indicative thresholds set out in the *CCCS Guidelines on the Substantive Assessment of Mergers 2016*.

⁷⁸ Paragraphs 30 to 36 of the Notes of Meeting with [§<] dated 11 January 2018; Paragraphs 40 to 43 and 53 to 55 of the Notes of Meeting with [§<] dated 4 January 2018.

⁷⁹ Paragraph 5.15 of *CCCS Guidelines on the Substantive Assessment of Mergers 2016*.

Table: Average Fleet Size of CPHC and Taxi Operators⁸⁰

Average Fleet Size (2017)						
		Grab ⁸¹	Uber	Merged entity	Post-Transaction CR3	Total
2017	Average Fleet Size	[§<]	[§<]	[§<]	[§<]	[60,000 – 70,000]
	Market Share	[40-50]%	[10-20]%	[60-70]%	[90-100]%	100.0%

69. CCCS is of the view that there are reasonable grounds for suspecting that the market share figures based on fleet size of CPHC and taxi operators shown in the table above are reasonably indicative of the Parties’ market positions in the CPPT Services market. In this regard, the Parties’ combined market share in fleet size is [60-70]%, which is above the indicative threshold of 40% stipulated under the *CCCS Guidelines for the Substantive Assessment of Mergers*. CCCS notes that, insofar as the Parties provide booking services for third-party taxi companies, such as through JustGrab, market shares by fleet size may understate the Parties’ market share of the CPPT Services.
70. Uber submitted that the Parties’ market shares above is flawed because CCCS has not disclosed how CCCS arrived at the total market size of [60,000 – 70,000] cars, and that this constitutes a breach of its rights of defence. Uber also submitted that CCCS may have excluded in its market share calculation either (i) private cars that are registered to provide CPHC services; or (ii) taxi vehicles; and may have overstated the market shares of Uber and Grab given the fact that many CPHC drivers are part-time while taxi drivers work full-time and often with two shifts per day per taxi, and that it is relatively easy to register a car as a CPHC.⁸²
71. CCCS’ basis for calculating the market share figures is set out in paragraph 26 to 27 of the Notice of Proposed IMD and paragraph 69 above. CCCS has considered in its market share calculation (i) both private cars that are registered to provide CPHC services; and (ii) taxi vehicles. CCCS has identified its information sources used to arrive at the total market size of [60,000 – 70,000] cars, and provided the Parties with the fleet size estimates and market size estimates in ranges.⁸³ CCCS notes that in its written representations, Uber was able to respond to the market share figures set out in CCCS’s

⁸⁰ Source: [§<] data on CPHC vehicle fleet size and market share by CPHC vehicle fleet size for Uber and Grab on a monthly basis for the year 2017; [§<] data on the taxi fleet size and market share by taxi fleet size for each taxi operator on a monthly basis for the year 2017.

⁸¹ Grab’s fleet size is approximated taking reference to the cars which are not rented from LCR.

⁸² Paragraphs 90 to 92 of Uber SG’s Written Representations.

⁸³ The fleet size information that CCCS has relied on are confidential information. CCCS adopts the same approach for confidential information provided by the Parties and third-parties.

Notice of Proposed IMD and had provided a rough estimate of the total fleet size which is close to CCCS's estimates.⁸⁴

72. Uber also submitted alternative market shares of CPHC and major taxi operators (comprising CPHCs and taxis) based on number of trips completed ("Uber's submitted market shares"). Based on Uber's submitted market shares, the Parties combined market share is at [30-40]% and CR3 post-merger is at least [70-80]%.⁸⁵ CCCS is unable to verify Uber's submitted market shares because Uber has not provided the methodology and documents it relied on in arriving at Uber's submitted market shares. However, it appears that Uber's submitted market shares may underestimate the Parties' actual market share given that Uber appears to have attributed trips undertaken by taxis accepting bookings from UberTaxi and the standard taxi option in Grab's ride-hailing platform to the taxi operators. It is also not clear if Uber had attributed trips undertaken by taxis accepting bookings from UberFlash and JustGrab to the taxi operators. In any event, CCCS notes that the Parties' combined market share is at [30-40]% and CR3 post-merger is at least [70-80]%, which crosses CCCS's thresholds set out in the *CCCS Guidelines on the Substantive Assessment of Mergers 2016* and reinforces CCCS's reasonable grounds for suspecting that the section 54 prohibition has been infringed.

Barriers to entry and expansion

Indirect network effects in a two-sided market

73. CCCS notes that barriers to entry and expansion in relation to the CPPT Services market are likely to be high due to the strong indirect network effects present in the CPPT Services market, given its two-sided nature. In particular, the interdependence of drivers and riders give rise to indirect network effects or a 'virtuous circle': a ride-hailing platform that has built up high levels of usage is more attractive to new drivers and riders than a competitor with less usage whose offer, in terms of price, quality and service, may otherwise be the same.⁸⁶ The indirect network effect reinforces the incumbency of the existing players present in the market, and greatly increases the time and upfront expenditure needed for a new potential entrant to build up a driver network and rider network similar in scale and size to the Parties. Furthermore, markets that display strong network effects run the risk of "tipping" which will further increase the barriers to entry and expansion.⁸⁷
74. Uber submitted that this is not a market that lends itself to "tipping" because riders and drivers multi-home extensively, reducing switching costs and allowing a new entrant to

⁸⁴ Paragraph 90 of Uber SG's Written Representations. Uber submitted that "In order to arrive to this market size, it is possible that the CCCS considered (i) all rental cars that are registered to provide CPHC services (roughly 43,400), all CDG taxis (roughly 15,200), and all non-CDG taxis (roughly 10,200), on a monthly basis for 2017. If that is the case, the CCCS has not included private cars that are registered to provide CPHC services. Uber Singapore has no direct information on the number of private cars that have such a registration in Singapore. However, according to Uber Singapore's own data, on a monthly basis for the period from January to November 2017, [3<]."

⁸⁵ Paragraphs 95 to 96 of Uber SG's Written Representations.

⁸⁶ [Grab app has access to more than half of S'pore's taxi fleet, after Prime Taxi tie-up](#), Today, 27 March 2018; [SMRT Taxis Signs Grab As Exclusive App Partner and Collaborates on Dynamic Fixed Fares for Taxi Rides](#), Grab, 17 March 2018.

⁸⁷ Pages 11 and 12 of *Competition Law*, by R. Whish and D. Bailey, Oxford University Press, 2012, 7th Edition.

enter at a smaller scale and expand gradually. Based on Uber’s surveys, [§].⁸⁸ CCCS is unable to verify the submissions as Uber had not submitted the full survey report and methodology to CCCS. Further, although Uber submitted that the relevant market is two-sided, it only submitted survey results covering the extent of multi-homing on the riders’ side. It did not submit any survey result on the drivers’ side.⁸⁹

Little multi-homing on the drivers’ side

75. Currently, very few taxi or CPHC drivers are able to multi-home (i.e. accept jobs from more than one ride-hailing platform). The constraints for the various categories of taxi or CPHC drivers are tabulated as follows:

Category of drivers	Ability to multi-home?	Constraints
CDG taxi drivers	Limited	Unable to accept bookings from JustGrab.
Other taxi drivers	No	Not allowed to accept bookings from any 3 rd party ride-hailing platform except from Grab.
Grab CPHC drivers	Limited	Only drivers using their own private cars or renting from non-Grab affiliated rental partners can drive for other 3 rd party ride-hailing platform.
Uber CPHC drivers	Limited	Only drivers using their own private cars or renting from non-LCR car rental companies can drive for other 3 rd party ride-hailing platform.

76. In particular, a substantial percentage of the total CPHC and taxi fleet are exclusive to Grab, through GrabRentals, Grab’s exclusive CPHC fleet partners,⁹⁰ and Grab’s exclusive arrangements with non-CDG taxi companies.⁹¹ Such exclusivity arrangements effectively prevent these drivers from multi-homing, as they can only drive exclusively for Grab, or risk facing penalties if they breach the exclusivity by driving for other ride-hailing platforms.⁹² Such exclusivities can also constrain the ability of drivers to switch to competing ride-hailing platforms and make it difficult for a new ride-hailing platform to enter and expand in the market.
77. CCCS further notes that, exclusivity arrangements aside, even if drivers are not bound contractually, the costs of multi-homing may be so high that drivers are deterred from doing so due to the incentive structure of the ride-hailing platforms. This includes incentive payouts that a driver receives only upon completing a certain number of rides on the ride-hailing platform each day. This means that drivers who are unable to meet

⁸⁸ Paragraphs 102 and 104 of Uber SG’s Written Representations.

⁸⁹ Paragraph 104 of Uber SG’s Written Representations.

⁹⁰ [Introducing our all-new Loyalty Rental Rebate!](#), Grab

⁹¹ For example, under SMRT’s exclusive partnership with Grab, SMRT cab drivers can only accept ride bookings from Grab, ruling out other rival ride-hailing platforms like Uber. ([Grab signs exclusive partnership with SMRT to build ‘largest’ car fleet in Singapore](#), The Straits Times, 20 October 2017)

⁹² Paragraphs 18 and 23 of the Notes of Meeting with [§] dated 11 January 2018.

the minimum number on trips on both Uber or Grab would effectively need to settle for single-homing with one ride-hailing platform only. The effect is enhanced if drivers are particularly dependent on such incentive payouts, e.g. if these form a significant portion of their earnings.

78. This analysis is supported by third-parties' feedback that drivers are heavily dependent⁹³ on the incentives offered by ride-hailing platforms⁹⁴, and/or are tied to the ride-hailing platforms due to rental agreements⁹⁵ with the platform's fleet partners/ subsidiaries, which serve to reduce the ability and incentive for drivers to switch between ride-hailing platforms.⁹⁶ For example, drivers may be required to return incentives earned from driving on one ride-hailing platform when terminating their rental agreement with the platform's fleet partner/ subsidiary in order to switch to another ride-hailing platform.⁹⁷ CCCS also notes from third-party feedback⁹⁸ that most CPHC drivers tend to take jobs exclusively from a single ride-hailing platform, and stick to a particular ride-hailing platform, for rental rebates or other incentives.
79. CCCS also notes that while there are no similar exclusivity clauses imposed on riders such that riders are able to multi-home, such behaviour may be discouraged by loyalty programmes and e-wallets such as GrabRewards⁹⁹ and GrabPay.¹⁰⁰
80. Further, even if CCCS were to accept that riders multi-home, single-homing by the drivers is likely to enhance and allow Grab to exercise its market power, thereby hindering the ability of a new entrant to gain market share. In this regard, CCCS notes that a networked market¹⁰¹ is likely to be served by a single platform when multi-homing costs are high for at least one user side (i.e. the drivers' side in this case), network effects are positive and strong, and neither side's users have a strong preference for special features – which is supported by the Parties' submission that riders multi-home.¹⁰²

High costs of building sufficient network and scale

81. Uber submitted that the upfront costs of entering the ridesharing space are low and third-party providers offer to develop “Uber-like” apps for Android and iOS for estimated prices of between \$30k and \$80k.¹⁰³ CCCS notes that Uber has ignored the costs involved

⁹³ Paragraph 7 of the Notes of Meeting with [X] dated 11 January 2018.

⁹⁴ Paragraph 23 of the Notes of Meeting with [X] dated 11 January 2018.

⁹⁵ Paragraph 12 of the Notes of Meeting with [X] dated 11 January 2018.

⁹⁶ Paragraph 12 of the Notes of Meeting with [X] dated 11 January 2018.

⁹⁷ Paragraph 18 of the Notes of Meeting with [X] dated 11 January 2018.

⁹⁸ Paragraphs 8 and 11 of the Notes of Meeting with [X] dated 4 January 2018; Paragraph 35 of the Notes of Meeting with [X] dated 11 January 2018.

⁹⁹ GrabRewards was beta-launched on [8 December 2016](#), as Southeast Asia's first regional passenger loyalty programme for ride-hailing across Grab's locations with four loyalty tiers: Platinum, Gold, Silver and Member. Under the programme, Grab passengers automatically earn points by taking GrabBike, GrabCar, GrabShare and GrabTaxi. These points can be exchanged for free or discounted rides and promotions with Grab's Reward Partners. On [22 August 2017](#), GrabRewards was enhanced with a new network of more than 150 top-tier merchants across Southeast Asia, including AirAsiaGo and Deliveroo.

¹⁰⁰ [GrabPay](#), Grab (accessed on 11 April 2018).

¹⁰¹ Strategies for Two-sided Markets, Harvard Business Review, *Thomas R. Eisenmann, Geoffrey G. Parker and Mashall W. Van Alstyne*

¹⁰² Paragraph 104 of Uber SG's Written Representations.

¹⁰³ Paragraph 103 of Uber SG's Written Representations.

in driver and rider acquisition. In particular, the indirect network effects described above point to a need for any new entrant to invest a significant amount of upfront capital in order to attract drivers and riders to move over from the incumbent ride-hailing platform, so as to build up a critical mass of users, which is vital for such a two-sided market. Such costs include incentive schemes and promotions for drivers and riders, and may be substantial. Notably, such incentive schemes and promotions are also not once-off costs for the new entrant.¹⁰⁴ The new entrant would likely have to continue sustained investment in these areas in order to compete with the incumbent ride-hailing platform, who would rationally respond with incentive schemes and promotions of a similar or even larger scale.

82. In addition, the new entrant would also need to secure a fleet of vehicles available for their drivers to tap on. This could be done through either purchasing their own vehicles (just like what Uber had done in Singapore), in which case upfront investment would be significant, or through fleet partners. Purchasing own vehicles in Singapore requires significant resources given the need to also procure Certificates of Entitlement.
83. CCCS further notes that Uber has stated that it has accumulated high losses of [X] since its market entry into Southeast Asia, and the amount of capital Uber was expecting to spend in the next two years in the region to maintain its operations was [X].¹⁰⁵ This is corroborated by Grab's submission that [X].¹⁰⁶ Grab further stated that it has been [X].¹⁰⁷ This is inconsistent with Uber's submission that entry costs are low. On the contrary, the Parties' admissions revealed that the costs a new entrant would expect to incur to build sufficient network and scale are likely to be significant.

Insufficient evidence that new entrants can enter and/or expand

84. Uber submitted that there are low barriers to entry in the market for CPHC services, as illustrated by Meituan Dache's ("Meituan") launch in Shanghai¹⁰⁸ on 21 March 2018 and Meituan capturing an estimated [30-40]% market share in less than a week.¹⁰⁹ The Parties further submitted that the same dynamic is at play in Singapore with Ryde Technologies ("Ryde") and GO JEK announcing their intention to enter the market in Singapore after the announcement of the Transaction.¹¹⁰ Uber submitted that GO JEK seems poised for entry with its set up of a data science office in Singapore and its seeking of the recruitment of Uber's employees to join GO JEK in Singapore.¹¹¹
85. CCCS is of the view that Uber's submission on Meituan's launch in Shanghai is insufficient to support a finding that barriers to entry are low in Singapore. CCCS notes reports that (i) the submitted estimated market share of [30-40]% may be inaccurate as a

¹⁰⁴ Uber and Grab have regularly offered discounts to riders on a sustained period between Uber's and Grab's commencement of operation in Singapore till the announcement of the Transaction. See [list of compiled discount codes for Grab, Uber and CDG](#) (accessed on 11 April 2018).

¹⁰⁵ Paragraph 13 of Uber SG's Written Representations.

¹⁰⁶ Paragraph 2.4.2(i) of Grab's 4th April Written Representations.

¹⁰⁷ Paragraph 2.4.2(v) of Grab's 4th April Written Representations.

¹⁰⁸ Paragraph 106 of Uber SG's Written Representations.

¹⁰⁹ Paragraph 14 of Uber SG's Written Representations.

¹¹⁰ Paragraph 15 of Uber SG's Written Representations; Paragraphs 2.3.1 and 2.4.2(viii) of Grab's 4th April Written Representation.

¹¹¹ Paragraph 15 of Uber SG's Written Representations.

high proportion of trips that were recorded might not have actually occurred; (ii) Meituan's market share has declined since 26 March 2018 to 15%, and is continuing to decline; (iii) Meituan's gross merchandise volume¹¹² subsidy rate of 100% is unsustainable given that it would need to burn USD 7 billion a year if it maintains a 20% market share at current subsidy rates; (iv) Meituan is lagging behind Didi Chuxing in terms of technological advancement such as transportation predictions and big data; and (v) it took more than a year before a new entrant decided to enter the China market following Didi Chuxing's acquisition of Uber's China operations.¹¹³

86. Similarly, the Parties' submission on the potential entry of Ryde and GO JEK does not support a finding that barriers to entry are low. While GO JEK has set up a data science office in Singapore, and has announced its intention to enter 3 or 4 Southeast Asian markets,¹¹⁴ it has not explicitly stated that it has entered or will enter the Singapore market. CCCS notes that the presence of strong network effects coupled with exclusivity arrangements and incentive schemes would impede entry by competitors by making it difficult to attract drivers and capture sales from the merged entity such that the merged entity would be constrained.
87. CCCS also notes that the [REDACTED].¹¹⁵ This may further impede entry given that in the event that the [REDACTED] competitors choose to enter Singapore, they would need to secure a sizeable fleet of vehicles available for their drivers to tap on. [REDACTED].

(vii) Competition Assessment

Non-coordinated effects

88. Non-coordinated effects may arise where, as a result of the Transaction, the merged entity finds it profitable to raise prices (or reduce output or quality) because of the loss of competition between the merged entities.¹¹⁶ A horizontal merger between competing firms can have the likely effect of a substantial lessening of competition through non-coordinated effects (also known as unilateral effects). Non-coordinated effects may arise when a firm merges with an existing competitor that would otherwise provide a significant competitive constraint.¹¹⁷
89. Non-coordinated effects may also arise when an existing firm merges with a potential or emerging competitor. In such situations, the merged entity may be able to preserve the market power of the existing firm that would have otherwise be threatened by the potential or emerging competitor.¹¹⁸

¹¹² This refers to the value of the ride.

¹¹³ 滴滴内部信：美团打车上海份额已降至15% 每单亏30元, Sina News, 4 April 2018. [The Big Read: Why the Grab-Uber deal is making some uneasy](#), ChannelNewsAsia, 10 April 2018.

¹¹⁴ [Indonesia's Go-Jek aims to expand ride-hailing services to 3 or 4 South-east Asian nations](#), *The Straits Times*, 2 October 2017. In the same report, it was reported that GO JEK CEO did not specify the countries that GO JEK will target but that the countries targeted will be places with a large population.

¹¹⁵ [REDACTED].

¹¹⁶ Paragraph 5.21 of the *CCCS Guidelines on the Substantive Assessment of Mergers 2016*.

¹¹⁷ Paragraph 5.20 of the *CCCS Guidelines on the Substantive Assessment of Mergers 2016*.

¹¹⁸ Paragraph 5.22 of the *CCCS Guidelines on the Substantive Assessment of Mergers 2016*.

90. Non-coordinated effects may arise where, as a result of the Transaction, the merged entity finds it profitable to raise prices, or reduce output or quality, because of the loss of competition between the merged entities.¹¹⁹ Other firms in the market may also find it profitable to raise their prices because the higher prices of the merged entity's product will cause some customers to switch to competitors' products, thereby increasing demand for the competitors' products.¹²⁰

Potential elimination of competition in CPHC services, insufficient competition from taxi services

91. The Parties are significant and close competitors in relation to the CPPT Services market. In particular, CCCS notes that the Parties are the only providers of chauffeured private hire car ("CPHC") cum taxi booking services in Singapore. As per paragraph 69 above, the Parties have a market share of around [60-70]% in the CPPT Services market. Notably, the Parties are the only CPHC ride-hailing platforms currently operating in Singapore. Post-Transaction, drivers that are only holding a Private Hire Car Driver's Vocational License ("PDVL") will have no effective choice given they can only drive for CPHC ride-hailing platforms, and are not allowed to drive taxis or take up street hails.
92. Grab submitted that the Transaction is pro-competitive as it will help Grab refocus its resources and invest in better and new services to increase the penetration of CPHCs and better compete against taxi companies, public transportation, private car usage and new entrants¹²¹ and submitted that CDG is an important competitor.¹²² However, CCCS notes that the taxi operators in Singapore do not have significant booking capabilities, with the exception of CDG's Taxi Booking App ("CDG App") which only allows CDG taxi drivers but no other taxi or CPHC companies' drivers to accept bookings. Further, based on third-party feedback, the CDG App has limitations, such as the lack of automatic pushing of jobs to drivers and predictive demand heat maps, amongst others.¹²³

Upward pressure on prices

93. There are reasonable grounds for suspecting that the Transaction and the subsequent exit of the Uber app from the Singapore market may lead to an increase in the effective prices of rides for riders and commission rates for drivers. While CCCS notes the Parties' submissions that they will continue to be constrained by competition from other forms of public transport (see paragraph 58 above), and acknowledges that some riders or drivers may switch to taking street hail taxis or other forms of public transport¹²⁴, the proportion of riders or drivers switching away in response to an increase in the effective price of rides or effective commission may be reduced because the alternatives may not be viable and close substitutes for the reasons set out in paragraphs 59 and 60 above.

Insufficient evidence of likely, timely and sufficient entry

¹¹⁹ Paragraph 5.21 of the *CCCS Guidelines on the Substantive Assessment of Mergers 2016*.

¹²⁰ Paragraph 5.30 of the *CCCS Guidelines on the Substantive Assessment of Mergers 2016*.

¹²¹ Paragraph 2.3 of Grab's 4th April Written Representations.

¹²² Paragraph 2.3 of Grab's 4th April Written Representations.

¹²³ Paragraph 24 of the Notes of Meeting with [§<] and [§<] dated 26 March 2018.

¹²⁴ Paragraph 2.4.2 (ii) of Grab's 4th April Written Representations.

94. While the Parties have submitted that they are constrained by potential entry into the Singapore CPPT Services market by players such as GO JEK and Ryde (see paragraph 84 above), CCCS notes that for new entry (actual or threatened) to be considered a sufficient competitive constraint, the entry must be likely, sufficient in extent and timely. While recent articles report that GO JEK has plans to expand its services in 3 to 4 Southeast Asian markets, GO JEK itself has not confirmed Singapore as one of the countries for its expansion. While Ryde has indicated its interest in entering the CPHC market in Singapore, the key question is whether Ryde indeed enter on a sufficient scale in the Singapore CPHC market. CCCS notes that Ryde has raised S\$2 million in seed funding as of 15 January 2018¹²⁵, compared with Grab, which was valued at more than \$6 billion as of 23 July 2017.¹²⁶ Based on historical trends, a number of ride-hailing platforms including EasyTaxi¹²⁷, Hailo¹²⁸ and Karhoo¹²⁹ have exited the Singapore market in 2015 and 2016 respectively, citing financial difficulties with continuing to operate in Singapore. This suggests that deep pockets to fund the Singapore operations including the incentive schemes and promotions to attract both riders and drivers is necessary for a new entrant.
95. Accordingly, CCCS has reasonable grounds for suspecting that there would be insufficient competitive constraints imposed upon the merged entity post-Transaction, which may lead to non-coordinated effects such as an increase in prices and reduction in quality of services and/or innovation.

Coordinated effects

96. A merger may also lessen competition substantially by increasing the possibility that, post-Transaction, firms in the same market may coordinate their behaviour to raise prices, or reduce quality or output. Given certain market conditions, and without any express agreement, tacit collusion may arise merely from an understanding that it will be in the firms' mutual interests to coordinate their decisions. Coordinated effects may arise where a merger reduces competitive constraints from actual or potential competition in a market, thus increasing the probability that competitors will collude or strengthening a tendency to do so.¹³⁰
97. In order for tacit or explicit coordination to be successful or more likely as a result of a merger, three conditions should be met or be created by the merger:
- (a) Participating firms should be able to align their behaviour in the market;
 - (b) Participating firms should have the incentive to maintain the coordinated behaviour; and
 - (c) The coordinated behaviour should be sustainable in the face of other competitive constraints in the markets.¹³¹

¹²⁵ [Singapore carpooling app RYDE expanding to Hong Kong](#), Ryde, 15 January 2018.

¹²⁶ [Uber Rival Grab's Fundraising Values It at \\$6 Billion](#), The Wall Street Journal, 23 July 2017.

¹²⁷ [Easy Taxi exits Singapore amid stiff competition](#), The Straits Times, 18 September 2015.

¹²⁸ [Hailo is second ride-hailing app to pull out of S'pore in a week](#), The Straits Times, 17 November 2016.

¹²⁹ [Ride-hailing start-up Karhoo grinds to a halt](#), The Straits Times, 9 November 2016.

¹³⁰ Paragraph 5.35 of the *CCCS Guidelines on the Substantive Assessment of Mergers 2016*.

¹³¹ Paragraph 5.39 of the *CCCS Merger Guidelines 2016*.

98. CCCS notes that (i) Grab; (ii) Uber; and (iii) CDG have a combined market share of approximately [80-90]% by CPHC and taxi fleet size. CCCS also notes that (i) Grab; (ii) Uber; and (iii) CDG are likely to have an even higher market share by number of CPPT bookings given that Grab and Uber are the only CPHC booking platforms, and taxi bookings outside the Grab, Uber and CDG platforms are unlikely to be significant. The Transaction would reduce the number of effective competitors in the CPPT Services market from three (3) (Grab, Uber, and CDG) to two (2) (Grab/Uber and CDG).
99. CCCS also notes that [REDACTED].
100. Accordingly, CCCS also has reasonable grounds for suspecting that the Transaction may lead to coordinated effects due to a reduced number of effective players and increase in the likelihood of tacit coordination.

Vertical effects

101. As stated in the *CCCS Guidelines on the Substantive Assessment of Mergers 2016*, CCCS will consider the following information when assessing the vertical effects of a merger¹³²:
- (a) vertical relationship(s) between the merger parties before and after the merger;
 - (b) the extent of vertical integration before the merger and how this is created or strengthened by the merger;
 - (c) the merger parties' market shares in the upstream and downstream markets;
 - (d) any existing supply arrangements between the merger parties; and
 - (e) the extent to which the competitors are vertically integrated.
102. Although the Parties submitted that the Transaction does not include the sale of LCR to Grab, CCCS notes that, as part of the Transaction, Uber, who owns LCR, is acquiring 27.5 per cent of Grab. [REDACTED]¹³³:
- (a) [REDACTED];
 - (b) [REDACTED]; and
 - (c) [REDACTED].
103. CCCS also notes that [REDACTED]:
- (a) [REDACTED]¹³⁴ and
 - (b) [REDACTED].¹³⁵

¹³² Paragraph 6.16 of the *CCCS Guidelines on the Substantive Assessment of Mergers 2016*.

¹³³ [REDACTED].

¹³⁴ [REDACTED].

¹³⁵ [REDACTED].

104. CCCS notes that the Transaction reduces incentives for the Parties to compete in the rental market given the Parties' alignment of interests due to Uber's ownership interest in LCR and Uber's 27.5 per cent stake in Grab (which is the parent company of GrabRentals) post-Transaction. The potential acquisition by CDG of 51% of LCR may further reduce competition due to the alignment of interests between Uber and CDG. Therefore, CCCS has reasonable grounds for suspecting that the Transaction may have vertical effects on the rental market and increase the likelihood of coordinated and non-coordinated effects between Grab, LCR, and/or CDG in the rental market. CCCS also notes third-party concerns that the Transaction will lead to increased rental prices for drivers.¹³⁶

(viii) Efficiencies

105. The Act allows CCCS to take efficiency gains into account at two separate points in the analytical framework. First, efficiencies will be taken into account where they increase rivalry in the market so that no substantial lessening of competition would result from a merger. Second, efficiencies may also be taken into account where they do not avert a substantial lessening of competition, but will nevertheless result in net economic efficiencies in markets in Singapore.

106. In assessing the claimed efficiencies, the Parties must demonstrate that the efficiencies are:¹³⁷

- (a) Demonstrable with detailed and verifiable evidence;
- (b) Merger specific, that is, they are likely to arise only as a result of the merger and could not be attained by feasible alternative scenarios that raise less serious competition concerns;
- (c) Timely, in that the benefits will materialize within a reasonable period of time; and
- (d) Sufficient in extent.

107. Uber submitted that due to the two-sided nature of intra-city transport markets, the Transaction generates scope for material "feedback effects" from one side of the market to the other. In particular, by combining the Uber and Grab networks and building a "denser" network, the Transaction generates scope for significant pro-competitive efficiency benefits for riders and drivers alike.¹³⁸ However, neither of the Parties provided further evidence to substantiate their claims of efficiencies.

108. Without more evidence from the Parties to substantiate the claimed efficiencies, CCCS is unable to draw any conclusions as to whether they will either avert or mitigate any substantial lessening of competition or be sufficient to outweigh the detriments to competition caused by the Transaction in Singapore.

¹³⁶ Paragraph 34 of Notes of Meeting with [REDACTED] dated 4 January 2018.

¹³⁷ Paragraphs 7.9 to 7.18 of the *CCCS Merger Guidelines 2016*.

¹³⁸ Paragraph 53 of Uber SG's Written Representations.

Conclusion on reasonable grounds for suspecting infringement of the section 54 prohibition

109. Accordingly, CCCS is of the view that there are reasonable grounds for suspecting that the section 54 prohibition has been infringed by the Transaction.

C. PREVENT PREJUDICE TO THE GIVING OF ANY DIRECTION UNDER SECTION 69 OF THE ACT

110. CCCS notes evidence suggesting urgent winding-down of Uber's operations in Singapore, and its integration with Grab's operations, and the envisaged complete withdrawal of the Uber app in Singapore from 8 April 2018.¹³⁹

111. Uber and Grab have begun transferring assets (e.g. confidential information) and the migrating of Uber drivers and riders to Grab's ride-hailing platform.¹⁴⁰ CCCS further notes that Uber has started redirecting riders to download Grab's app instead, and that the Uber service will be available in Southeast Asia only until 8 April 2018, as Uber drivers are on-boarded to Grab's ride-hailing platform.¹⁴¹ CCCS notes from Uber's email to its' riders dated 26 March 2018 that effective March 25, 2018, Uber's riders will be governed by Grab's terms and policies, and that Uber will be transferring riders' information – including the name, phone number, trip and delivery history – to Grab.¹⁴² CCCS also notes that a similar email has been sent by Uber to its' drivers.¹⁴³

112. Uber's employees have been placed on paid leave following the Transaction, pending further directions from Grab as to whether Grab will rehire them.¹⁴⁴ CCCS notes that on its Facebook page, Lion City Rental posted that it is "closed until further notice" and has reached out to hirers through SMS saying that it will contact them in the coming days.¹⁴⁵

113. CCCS further notes news reports stating that Grab had confirmed in an email to ChannelNewsAsia on 27 March 2018 that drivers who signed a rental contract with Uber's car rental partner Lion City Rental can now accept Grab bookings.¹⁴⁶

114. In its submissions, Uber has also confirmed that the transfer of the assets acquired by Grab commenced from the point of closing. More particularly:

¹³⁹ [Grab Merges with Uber in Southeast Asia](#), Grab, 26 March 2018; Emails sent to riders on 26 March 2018 from Uber ("Important announcement: Uber combining operations with Grab in Singapore" and "Important Terms Update") and Grab ("Welcome Uber to the Grab family"); Email sent to drivers on 27 March 2018 from Uber ("Important Terms Update") obtained by CCCS [§<].

¹⁴⁰ [Grab Merges with Uber in Southeast Asia](#), Grab, 26 March 2018; Emails sent to riders on 26 March 2018 from Uber ("Important announcement: Uber combining operations with Grab in Singapore" and "Important Terms Update") and Grab ("Welcome Uber to the Grab family"); Email sent to drivers on 27 March 2018 from Uber ("Important Terms Update") [§<].

¹⁴¹ [Welcome Uber to the Grab family](#), Grab (accessed on 11 April 2018).

¹⁴² Email sent to riders on 26 March 2018 from Uber ("Important Terms Update").

¹⁴³ Email sent to drivers on 27 March 2018 from Uber ("Important Terms Update") obtained by CCCS [§<].

¹⁴⁴ [Uber staff on paid leave following acquisition, Grab says it will try to rehire them](#), The Straits Times, 27 March 2018; [Grab rejects claims Uber staff given 2 hours to pack up and leave](#), ChannelNewsAsia, 27 March 2018.

¹⁴⁵ [Grab-Uber merger: Drivers worried about incentives, car rental contracts](#), ChannelNewsAsia, 27 March 2018.

¹⁴⁶ [Drivers with Lion City Rental contracts can take Grab bookings](#), ChannelNewsAsia, 27 March 2018.

- (a) Contracts with riders, drivers, eaters and delivery partners in Singapore were transferred as of closing;
 - (b) Certain data about drivers and delivery partners, focused on contact and sign-up information, was transferred to Grab on the day of closing, 26 March 2018, to allow for a seamless transition. Certain data about riders and eaters, also focused on contact and sign-up information, was transferred to Grab on the day after closing, 27 March 2018. Data continues to be transferred on an ongoing basis, in a phased approach mutually agreed upon by the parties; and
 - (c) The relevant employees supporting Uber’s business in the region have been informed of Uber’s decision to exit the market; they are beginning the process of considering employment with Grab (or with other potential employers).¹⁴⁷
115. Uber also submitted that Uber’s Singapore business has significantly shrunk over the past week. [S&K]. Uber has seen the similar reductions in driver supply hours. Such a strong drop in trips and supply in a few days indicates that drivers and riders are adapting rapidly to the announced exit of Uber and are switching trips to Grab and other transport options.¹⁴⁸
116. In the event that CCCS makes a decision that any merger has infringed the section 54 prohibition, CCCS may give to such person as it thinks appropriate, such directions to bring the infringement to an end and, where necessary, requiring that person to take such action as is specified in the direction to remedy, mitigate, or eliminate any adverse effects of such infringement pursuant to section 69 of the Act. In particular, CCCS is able to require a merger to be dissolved or modified in such manner as CCCS may direct¹⁴⁹ or require the merging parties to dispose of such operations, assets or shares of such undertaking in such manner as may be specified by CCCS.¹⁵⁰
117. In this connection, section 67(1A) of the Act was introduced in 2007 in order to give CCCS the power to take pre-emptive action to prevent merger parties from taking actions that would prejudice the consideration of the merger or CCCS’s imposition of directions or remedies to address the competitive harm:
- “The amendments will empower [C]CCS to prevent parties from taking actions that would prejudice the consideration of the merger or to impose directions or remedies to address the competition harm. This is on the basis that [C]CCS has reasonable grounds to suspect that a merger is anti-competitive. As a matter of urgency, the Commission will also be allowed to take action to prevent serious irreversible damage or to protect public interest, thereby obviating significant costs of unravelling a merger. The [C]CCS already has the power to do so with respect to the sections 34 and 47 prohibitions”¹⁵¹*
118. As stated in paragraphs 36 to 109, CCCS has reasonable grounds for suspecting that it may make a finding that the Transaction is likely to result in a substantial lessening of

¹⁴⁷ Paragraph 23 of Uber SG’s Written Representations.

¹⁴⁸ Paragraph 24 of Uber SG’s Written Representations.

¹⁴⁹ Section 69(2)(c)(i) of the Act.

¹⁵⁰ Section 69(2)(e)(ii) of the Act.

¹⁵¹ *Parliamentary Debates Singapore: Official Report*, vol 83 at col 730 (21 May 2007)(Mr Lee Yi Shyan).

competition in relation to the CPPT Services in Singapore and therefore infringe the section 54 prohibition. Given that the Transaction has been completed, should there be an infringement of the Act, CCCS may direct the Parties to unwind the Transaction and such steps that have been taken to execute the Transaction (“Unwinding Direction”) in order to remedy, mitigate, or eliminate the adverse effects of the completed Transaction. CCCS may also direct the sale of one of the overlapping businesses that has led to the competition concerns to a buyer approved by CCCS (“Divestment Direction”) in order to remedy, mitigate, or eliminate the adverse effects of the completed Transaction.¹⁵²

119. In view of the urgent winding-down of Uber’s operations in Singapore and its integration with Grab’s operations, and the envisaged complete withdrawal of the Uber app in Singapore from 8 April 2018, coupled with the strong network effects exhibited in the CPPT Services markets, a Divestment Direction or Unwinding Direction given later upon the completion of the investigation may not have the effect of remedying, mitigating or eliminating the adverse effects by restoring effective competition in the markets affected by the Transaction.
120. After Uber redirects its drivers and riders to Grab’s ride-hailing platform, and the drivers and riders in any event have no choice but to leave Uber’s ride-hailing platform after its discontinuance on 15 April 2018 and look for alternatives, these drivers and riders may not return to Uber even if CCCS subsequently directs the Parties to comply with an Unwinding Direction. In view of the key role of network effects in the market, both drivers and riders will have reduced incentive to return to Uber’s ride-hailing platform. Drivers and riders may have reduced confidence in Uber’s ride-hailing platform¹⁵³, and current Uber drivers might be required to enter into rental agreements with Grab’s rental partners which may prevent them from returning to Uber’s ride-hailing platform given the cost and time involved.¹⁵⁴ Consumers who have signed on to Grab’s loyalty programme (i.e. GrabRewards) are less likely to return to Uber’s ride-hailing platform. CCCS also notes that UberFlash will also cease to operate from 15 April 2018, and CDG has said that it is now reviewing “all aspects of its proposed tie-up” with Uber¹⁵⁵ and news reports stating that CDG has told its drivers to delete the Uber Driver App on their phones, given the announcement that UberFlash will cease on 8 April 2018.¹⁵⁶ Accordingly, even if CCCS makes an Unwinding Direction at a later date, Uber may no longer be able to operate, or return to operate, as viably and competitively in the market and impose competitive constraints on Grab, as it did pre-Transaction.
121. Likewise, any purchaser of Uber may not be able to operate viably and compete effectively in the market following the migration of Uber’s riders, drivers and database to Grab. This may also mean that Uber would not be able to find a suitable third-party purchaser as Uber’s viability and competitiveness would also impact its saleability and the ability for a third-party purchaser to operate viably in the market.

¹⁵² Paragraphs 8.10 to 8.12 of the *CCCS Guidelines on the Substantive Assessment of Mergers 2016*.

¹⁵³ Paragraph 19 of the Notes of Meeting with [§] and [§] dated 26 March 2018.

¹⁵⁴ Paragraph 12 of the Notes of Meeting with [§] and [§] dated 26 March 2018.

¹⁵⁵ [Grab’s takeover deal triggers watchdog scrutiny; ComfortDelGro rethinks partnership with Uber](#), The Straits Times, 26 March 2018.

¹⁵⁶ [ComfortDelGro tells its cabbies to delete Uber app; Grab prepares work spaces for ex-Uber staff](#), The Straits Times, 27 March 2018.

122. CCCS notes that the Parties have confirmed that [REDACTED]:

“[REDACTED].”¹⁵⁷

123. It is precisely because of the possible irreversible damage to competition in the market that section 67(1A) of the Act was introduced in 2007 via Competition (Amendment) Bill 2007 to give CCCS the power to take pre-emptive action. The facts set out in the paragraphs above clearly makes this an appropriate case to invoke section 67(1A) of the Act. At the Second Reading in Parliament, the then-Minister of State for Trade and Industry gave an example of when section 67(1A) of the Act will be invoked – to prevent the further integration of the merging parties before CCCS’s decision on the parties’ merger notification or completion of CCCS’s investigations:

*“Let me use an example to illustrate how pre-emptive action and commitments may be used. The UK competition authority recently examined the merger of two waste management companies. In doing so, it sought undertakings from the two companies to, amongst others, not further integrate the two companies before a decision was issued. Such interim directions serve to prevent the companies from taking any action that may prejudice the authority's consideration of the merger. Subsequently, when it was assessed that the merger would result in substantial lessening of competition, the UK authority allowed the merger to proceed provided the two companies agreed to undertake specific actions or commitments to address competition concerns, such as the divestment of certain assets.”*¹⁵⁸

124. CCCS is of the view that the directions set out in the IMD are necessary for the purpose of preventing action that may prejudice the giving of directions under section 69 of the Act. In addition, the directions set out in the IMD take into account the Parties’ feedback and are in line with what the Parties consider to be appropriate,¹⁵⁹ workable,¹⁶⁰ and reasonable.¹⁶¹

IMD	Necessity	Parties’ feedback on appropriateness, workability, and reasonableness
Delay in Uber app shut down (paragraph 12 above)	<ul style="list-style-type: none"> - This allows drivers and riders time to migrate to any other alternatives if they wish to. - This could reduce/delay the network effects that Grab may gain from the migration. 	The Parties submit that it would be impractical to require the Uber app to continue operating, given Uber has made the irreversible decision to exit the Singapore market. ¹⁶² Without prejudice to CCCS’s final assessment of the Transaction and the applicable

¹⁵⁷ Paragraph 1.16 of the of the Parties’ joint response to CCCS dated 28 March 2018.

¹⁵⁸ *Parliamentary Debates Singapore: Official Report*, vol 83 at col 730-731 (21 May 2007)(Mr Lee Yi Shyan).

¹⁵⁹ Paragraph 2.10.1(iv) of Grab’s 4th April Written Representations; Paragraph 140 of Uber SG’s Written Representations.

¹⁶⁰ Paragraph 2.3.2 of Grab’s 4th April Written Representations.

¹⁶¹ Paragraph 140 of Uber SG’s Written Representations.

¹⁶² Paragraph 111 of Uber SG’s Written Representations.

		counterfactual, the IMD only requires that the Uber app remains in operation until 7 May 2018 (as opposed to the end of CCCS's review) to allow Uber to unilaterally, and independently, make its decision with respect to exiting, while limiting the potential prejudice to CCCS's ability to issue such appropriate directions under section 69 of the Act at the end of CCCS's investigation.
Independent pre-Transaction pricing, pricing policies and product options (paragraph 13 above)	This prevents integration of the Parties' operations as it is likely that such integration cannot be unwound effectively and may hence prejudice a direction from CCCS such as a Divestment Direction or an Unwinding Direction.	CCCS notes that the directions in paragraph 13 only require Grab to maintain its pre-Transaction independent pricing, pricing policies, product options and commission rates. CCCS has also considered Grab's submissions ¹⁶³ and Grab is not prevented from introducing new product options and commission structures, as long as they do not replace or vary the services and commission structures available pre-Transaction and render the IMD substantially ineffective.
Clear communications to drivers and riders who have migrated to Grab (paragraph 14 above)	This ensures that drivers and riders migrate to Grab on their own accord and Grab cannot grow its network via the misperception of Uber's drivers and riders that they must be onboarded to Grab pursuant to the Transaction.	CCCS has considered the difficulties raised by the Parties in relation to undoing any migration of drivers and riders and the potential difficulties this would pose to drivers and riders. Therefore, the IMD only requires that each Party clearly communicates to these drivers and riders that migration is optional.
Data transfer/integration restrictions (paragraph 15 above)	This limits the integration of the Parties' operations which is unlikely to be unwound effectively and may hence prejudice a direction from CCCS such as a Divestment Direction or an Unwinding Direction.	Pursuant to Grab's submissions, CCCS has allowed Grab to retain personal data of drivers and riders who expressly opt in to move to the Grab ride-hailing platform for the purposes of on-boarding. ¹⁶⁴

¹⁶³ Paragraphs 17 and 20 of Grab's 6th April Written Representations.

¹⁶⁴ Paragraph 25 of Grab's 6th April Written Representations.

New Drivers who switch to Grab should enjoy Non-Exclusivity (paragraph 16 above)	This reduces the strength of network effects and allows these drivers to switch to a new entrant in the event of a Divestment Direction or an Unwinding Direction.	Grab has submitted that they are able to comply with this direction. CCCS further notes that Non-Exclusivity is limited to New Drivers who switch to Grab after the Transaction.
Non-exclusivity and non-discriminatory terms for LCR drivers (paragraph 17 above)	This mitigates the strength of network effects and allows these drivers to switch to a new entrant in the event of a Divestment Direction or an Unwinding Direction..	CCCS has considered Uber's submission that making LCR vehicles available for all ride-hailing platforms is a more proportionate IMD than requiring Uber to continue operating at pre-Transaction conditions. ¹⁶⁵
No exclusivity arrangements with all taxi fleets in Singapore (paragraph 18 above)	This mitigates the strength of network effects and allows these drivers to switch to a new entrant in the event of a Divestment Direction or an Unwinding Direction.	CCCS has considered Grab's submissions and included provisos so that the requirement only applies if other ride-hailing platforms do not enter into exclusivity arrangements with taxi fleets in Singapore, and taxi operators allow their drivers to drive for any ride-hailing platform for standard fare and fixed fare jobs. ¹⁶⁶
[X]	[X]	[X] ¹⁶⁷
[X]	[X]	[X] ¹⁶⁸
Appointing a Monitoring Trustee (paragraph 21 above)	This ensures that an independent third-party can monitor Grab's compliance with the IMD and prevent prejudice to the making of directions under section 69 at the end of CCCS's review, including a Divestment Direction or an Unwinding Direction.	Grab has submitted as an alternative IMD the appointment of a Monitoring Trustee. ¹⁶⁹
The IMD to take effect during the Stipulated Period (paragraph 11 above), unless and until any of the Trigger Events	This ensures that the interim measures are in place until CCCS completes its assessment and makes a decision on the Transaction. This ensures that any direction given under section 69 of the Act can be effectively implemented.	CCCS allows for a set of Trigger Events, which if ascertained by CCCS to have taken place, the current set of interim measures would not be necessary, as the entry of a Significant Competitor may reduce the merged entity's ability to entrench its market

¹⁶⁵ Paragraphs 119 to 127 of Uber SG's Written Representations.

¹⁶⁶ Paragraph 2.6.4(iii) of Grab's 4th April Written Representations.

¹⁶⁷ Paragraph 2.6.4(v) of Grab's 4th April Written Representations.

¹⁶⁸ Paragraph 7(ii) of Uber SG's Written Representations.

¹⁶⁹ Paragraph 2.6.4(ix) of Grab's 4th April Written Representations.

(paragraph 26 above) occurs.		power until CCCS completes its assessment and makes a decision on the Transaction, in which case the IMD may be varied, suspended or revoked as CCCS finds appropriate.
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125. CCCS notes that the Parties had submitted that the directions set out in the Notice of Proposed IMDs are unnecessary and unworkable due to, *inter alia*, the impossibility of reversing the integration that took place immediately after the closing of the Transaction, and given that Uber would not have the financial resources, drivers and riders to continue operating the Uber app.¹⁷⁰ CCCS notes the alleged difficulties arose due to the Parties' decision not to notify the Transaction to CCCS prior to completion, and to instead implement the Transaction immediately after completion without reference to CCCS, despite having been advised of CCCS's merger notification regime and the possibility of seeking confidential advice from CCCS. It is disingenuous for the Parties to now take advantage of these alleged difficulties brought about by their calculated risk that the Transaction may not have infringed the section 54 prohibition and their collective commercial decision to implement the Transaction pending CCCS's investigation. In any event, CCCS has engaged with the Parties on, *inter alia*, 2 April 2018 and 5 April 2018, to understand the Parties' concerns and where necessary, has revised the IMDs ordered. CCCS also notes that this IMD is only effective for a short period and will terminate upon the completion of CCCS's review of the Transaction, or if any of the Trigger Events occur. As elaborated in the preceding paragraph, CCCS is of the view that this IMD is in line with what the Parties consider to be appropriate,¹⁷¹ workable,¹⁷² and reasonable.¹⁷³

IV. CONCLUSION

126. CCCS has reasonable grounds for suspecting that the section 54 prohibition has been infringed by the Transaction. In view of the two-sided nature of the CPPT Services market, and the role of indirect network effects, integration of the Parties' data and business is unlikely to be reversible and would prejudice the possibility of a sale of Uber's data and business to another third-party pursuant to a Divestment Direction. The increase in Grab's market power during the Stipulated Period due to any integration, and due to the exit or winding down of the Uber app, is also likely to impede competition in the market from Uber (pursuant to an Unwinding Direction) or a new third-party (pursuant to a Divestment Direction). This reduces the effectiveness of any Divestment Direction or Unwinding Direction which CCCS may make pursuant to section 69 of the Act upon completion of CCCS's investigation.

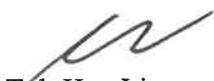
¹⁷⁰ Paragraphs 2.2.1(iii), 2.4 and 2.5 of Grab's 4th April Written Representations; Paragraphs 113 to 138 of Uber SG's Written Representations.

¹⁷¹ Paragraph 2.10.1 (iv) of Grab's 4th April Written Representations; Paragraph 140 of Uber SG's Written Representations.

¹⁷² Paragraph 2.3.2 of Grab's 4th April Written Representations.

¹⁷³ Paragraph 140 of Uber SG's Written Representations.

127. Accordingly, CCCS is of the view that this IMD is necessary to prevent prejudice to the giving of directions under section 69 of the Act by CCCS upon completion of its investigation.



Toh Han Li
Chief Executive
Competition and Consumer Commission of Singapore

ANNEX A

Complaints Received

S/N	Date	Name	Medium of Complaint	Substance of Complaint
1.	25 March 2018	[X]	CCCS Feedback Inbox	- Potential monopoly by merged entity
2.	26 March 2018	[X]	CCCS Feedback Inbox	- Potential monopoly by merged entity; - Lack of choice / price comparison options
3.	26 March 2018; 5 April 2018	[X]	CCCS Feedback Inbox	- High market share of the merged entity (well over 40%)
4.	26 March 2018; 2 April 2018; 4 April 2018	[X]	CCCS Feedback Inbox	- Potential monopoly by merged entity
5.	26 March 2018	[X]	CCCS Feedback Inbox	- Potential monopoly by merged entity
6.	26 March 2018	[X]	CCCS Feedback Inbox	- Loss of choice with the merger
7.	26 March 2018	[X]	CCCS Feedback Inbox	- Grab's pool of drivers is bigger than CDG; - Potential monopoly by merged entity; - Increased prices
8.	26 March 2018	[X]	CCCS Feedback Inbox	- Potential monopoly by merged entity; - Higher costs for consumers
9.	26 March 2018	[X]	CCCS Feedback Inbox	- Potential monopoly by merged entity; - Ability to unilaterally raise prices
10.	26 March 2018	[X]	CCCS Feedback Inbox	- Lesser competition due to the merger
11.	26 March 2018	[X]	CCCS Feedback Inbox	- Potential monopoly by merged entity
12.	26 March 2018	[X]	CCCS Feedback Inbox	- Potential monopoly by merged entity
13.	26 March 2018; 3 April 2018	[X]	CCCS Feedback Inbox	- Potential monopoly by merged entity; - Higher prices for consumers
14.	26 March 2018	[X]	CCCS Walk-in Complaint	- Drivers who have contracts with LCR and who are only allowed to

				<p>drive for Uber have been unable to contact LCR or Uber office;</p> <ul style="list-style-type: none"> - Uncertain livelihood of drivers and lack of information/directions to drivers; - CDG drivers who were on uberFLASH, now uncertain if they can take JustGrab jobs; - Reduced options for drivers; - Raising of commission fees and/or trip fares by merged entity; - Lack of transparency in Grab's surge pricing and algorithms
15.	26 March 2018	[X]	CCCS Feedback Inbox	<ul style="list-style-type: none"> - Potential monopoly by merged entity (owning 90% of ride-hailing business in Singapore)
16.	26 March 2018	[X]	CCCS Feedback Inbox	<ul style="list-style-type: none"> - Potential monopoly by merged entity
17.	26 March 2018	[X]	CCCS Feedback Inbox	<ul style="list-style-type: none"> - Potential monopoly by merged entity
18.	26 March 2018	[X]	CCCS Feedback Inbox	<ul style="list-style-type: none"> - Potential monopoly by merged entity; - Less incentive to offer promotion codes
19.	26 March 2018	[X]	CCCS Feedback Inbox	<ul style="list-style-type: none"> - Potential monopoly by merged entity; - No choice and higher prices for consumers
20.	26 March 2018	[X]	CCCS Feedback Inbox	<ul style="list-style-type: none"> - Potential monopoly by merged entity
21.	26 March 2018	[X]	CCCS Facebook Messenger	<ul style="list-style-type: none"> - Potential monopoly by merged entity
22.	26 March 2018	[X]	CCCS Facebook Messenger	<ul style="list-style-type: none"> - Raised concerns that a lot of drivers and riders will be negatively affected by merger
23.	26 March 2018	[X]	CCCS Feedback Inbox	<ul style="list-style-type: none"> - Potential monopoly by merged entity
24.	26 March 2018; 7 April 2018	[X]	CCCS Feedback Inbox	<ul style="list-style-type: none"> - Concerns over high prices charged by Grab
25.	27 March 2018	[X]	CCCS Feedback Inbox	<ul style="list-style-type: none"> - Potential monopoly by merged entity; - Higher prices, lower standard of service

26.	27 March 2018	[X]	CCCS Feedback Inbox	<ul style="list-style-type: none"> - Potential monopoly by merged entity; - Higher prices; - Lesser options and choices of transportation for customers; - Lesser choices of operators for drivers to choose from; - Raised data privacy concerns and lack of clear notice to users on transfer of account information to Grab – no course for objection or opt out
27.	27 March 2018	[X]	CCCS Feedback Inbox	<ul style="list-style-type: none"> - Potential monopoly by merged entity; - Higher prices, lesser promotions, less incentive to improve service
28.	27 March 2018	[X]	CCCS Feedback Inbox	<ul style="list-style-type: none"> - Potential monopoly by merged entity; - Urged CCCS to impose interim measures
29.	27 March 2018	[X]	CCCS Feedback Inbox	<ul style="list-style-type: none"> - Potential monopoly by merged entity
30.	27 March 2018	[X]	CCCS Feedback Inbox	<ul style="list-style-type: none"> - Raised potential breach of personal data protection laws by Uber
31.	27 March 2018	[X]	CCCS Feedback Inbox	<ul style="list-style-type: none"> - Potential monopoly by merged entity; - Higher prices
32.	27 March 2018	[X]	CCCS Facebook Messenger	<ul style="list-style-type: none"> - Expressed disappointment with the merger; - Remarked that Uber left a mess behind in the way they handled staff, LCR contract holders; - The merged entity will be a monopoly leading to reduction of incentives and discounts to drivers and riders; increase in commission for drivers; control of surge zone to attract riders from taxi services to CPHC services; unregulated decision making in relation to drivers' welfare; - Suggested 9 broad directions to ensure fairer regulation and fairer competition;

				<ul style="list-style-type: none"> - Recommended introducing regulations to encourage CDG to compete on level playing ground.
33.	27 March 2018	[X]	CCCS Feedback Inbox	<ul style="list-style-type: none"> - Raised concerns with section 54 issues in relation to the merger
34.	28 March 2018	[X]	CCCS Feedback Hotline	<ul style="list-style-type: none"> - Raised concerns about Uber drivers being unfairly treated with the merger
35.	28 March 2018; 29 March 2018	[X]	CCCS Feedback Hotline	<ul style="list-style-type: none"> - Raised disappointment about the merger; - Lack of choice as an LCR driver
36.	28 March 2018	[X]	CCCS Feedback Inbox	<ul style="list-style-type: none"> - Raised concern about the merged entity taking advantage of Uber drivers by charging higher prices
37.	29 March 2018	[X]	CCCS Feedback Hotline	<ul style="list-style-type: none"> - Potential monopoly by merged entity
38.	30 March 2018	[X]	CCCS Feedback Inbox	<ul style="list-style-type: none"> - Lack of choice as an LCR driver
39.	30 March 2018	[X]	CCCS Feedback Inbox	<ul style="list-style-type: none"> - Potential monopoly by merged entity; - Loss of choice with the merger
40.	30 March 2018	[X]	CCCS Feedback Inbox	<ul style="list-style-type: none"> - Data privacy concerns
41.	31 March 2018; 4 April 2018	[X]	CCCS Feedback Inbox	<ul style="list-style-type: none"> - Lesser incentives for drivers; - Potential increase in rental rates for drivers; - Exclusivity concerns for drivers who rent from LCR and GrabRentals;
42.	31 March 2018	[X]	CCCS Feedback Inbox	<ul style="list-style-type: none"> - Data transfer concerns
43.	31 March 2018	[X]	CCCS Feedback Inbox	<ul style="list-style-type: none"> - Potential monopoly by merged entity; - Data privacy concerns
44.	31 March 2018	[X]	CCCS Feedback Inbox	<ul style="list-style-type: none"> - Concerns as an LCR driver – being unable to contact both Uber or LCR
45.	31 March 2018; 6 April 2018	[X]	CCCS Feedback Inbox	<ul style="list-style-type: none"> - Proposed that the Uber app should be operational until all the Uber drivers who were previously banned by Grab are allowed to drive for Grab; - Raised concern that older drivers require more time to adapt to the Grab app, which is more

				<p>complicated and different from the Uber app;</p> <ul style="list-style-type: none"> - Raised concern on Grab's arrangements with their rental fleet partners
46.	1 April 2018	[X]	CCCS Feedback Inbox	<ul style="list-style-type: none"> - Rising prices by Grab
47.	1 April 2018; 4 April 2018	[X]	CCCS Feedback Inbox	<ul style="list-style-type: none"> - Potential monopoly by merged entity; - Unhappiness with lack of choice; - Propose to delay exit of Uber from the Singapore market until other players like Go-Jek enter
48.	2 April 2018; 7 April 2018	[X]	CCCS Feedback Inbox	<ul style="list-style-type: none"> - Rising prices as compared to CDG
49.	2 April 2018; 3 April 2018	[X]	CCCS Feedback Inbox	<ul style="list-style-type: none"> - Grab lowering driver incentives
50.	2 April 2018	[X]	CCCS Feedback Inbox	<ul style="list-style-type: none"> - Drivers having lack of options
51.	2 April 2018	[X]	CCCS Feedback Hotline	<ul style="list-style-type: none"> - Uber not paying driver incentives
52.	2 April 2018	[X]	CCCS Feedback Inbox	<ul style="list-style-type: none"> - Potential monopoly by merged entity; - Concerns over Grab's draconian measures on drivers; - Lack of transparency from Grab; - Concern of fare increases post-merger
53.	3 April 2018	[X]	CCCS Feedback Hotline	<ul style="list-style-type: none"> - Being forced to shift to Grab
54.	3 April 2018	[X]	CCCS Feedback Hotline	<ul style="list-style-type: none"> - Drivers have no choice but to shift to Grab
55.	3 April 2018	Anonymous	CCCS Feedback Hotline	<ul style="list-style-type: none"> - Highlighted plight of drivers and riders; - Reduction of promotion codes; - Shortage of drivers; - Less incentives for drivers;
56.	3 April 2018	[X]	CCCS Feedback Hotline	<ul style="list-style-type: none"> - Elderly Uber drivers are adversely affected by merger due to lack of alternatives
57.	3 April 2018; 7 April 2018	[X]	CCCS Feedback Inbox	<ul style="list-style-type: none"> - Raised concern on excessive consolidation of market power and exploitation of consumers as a result of the merger; - Raised concern with Uber giving drivers and riders the impression

				that the Uber app will be rendered obsolete and its functions taken over by the Grab app
58.	3 April 2018; 4 April 2018	[X]	CCCS Feedback Inbox	<ul style="list-style-type: none"> - Potential monopoly by merged entity; - Raised concerns that a lot of drivers and riders will be negatively affected by merger; - Concern that monopoly will result from Softbank owning shares in both Uber and Grab
59.	3 April 2018	[X]	CCCS Feedback Inbox	<ul style="list-style-type: none"> - Potential monopoly by merged entity; - No choice and higher prices for consumers
60.	4 April 2018	[X]	CCCS Feedback Inbox	<ul style="list-style-type: none"> - Potential monopoly by merged entity; - Lesser options and choices of transportation for customers; - Raised concern on reduced quality of service post-merger; - Experienced longer waiting time and poor customer service with Grab
61.	4 April 2018	[X]	CCCS Feedback Inbox	<ul style="list-style-type: none"> - Potential monopoly by merged entity; - Raised concerns that a lot of drivers and riders will be negatively affected by merger
62.	4 April 2018	[X]	CCCS Facebook Messenger	<ul style="list-style-type: none"> - Raised concerns that a lot of drivers and riders will be negatively affected by merger
63.	4 April 2018	[X]	CCCS Feedback Inbox	<ul style="list-style-type: none"> - Noted that Grab has increased the commission rate for its drivers in Malaysia from 20% to 25%. Raised concern that Grab will do likewise in Singapore post-merger; - Lesser options and choices of transportation for customers; - Lesser choices of operators for drivers to choose
64.	4 April 2018	[X]	CCCS Feedback Inbox	<ul style="list-style-type: none"> - Raised concerns that the merger has infringed the Competition Act

65.	4 April 2018	[X]	CCCS Feedback Hotline	- Lack of choices and incentives for Uber drivers
66.	4 April 2018	Anonymous	CCCS Feedback Hotline	- Unfair prices charged by Grab
67.	4 April 2018	[X]	CCCS Feedback Inbox	- Raised concern on Uber's email blast to consumers to install the Grab app
68.	5 April 2018	[X]	CCCS Walk-in Complaint	- Uber app was blocked after complainant did not agree to drive with Grab and be bound by the terms and conditions of Grab
69.	5 April 2018	[X]	CCCS Feedback Inbox	- Potential monopoly by merged entity; - Increased prices
70.	6 April 2018	[X]	CCCS Feedback Inbox	- Raised concern on potential abuse of dominance by Grab via its current incentives/ discounts to get users to use GrabPay
71.	7 April 2018	[X]	CCCS Feedback Inbox	- Lesser options and choices of transportation for customers; - Raised concern that Grab drivers cherry-pick their riders
72.	8 April 2018	[X]	CCCS Feedback Inbox	- Raised concern on unfair consumer practices by Grab post-merger, as the only dominant player in the market; - Experienced longer waiting times; - Raised concern on reduced quality of service; - Potential monopoly by merged entity
73.	8 April 2018	[X]	CCCS Feedback Inbox	- Potential monopoly by merged entity; - Raised concerns that a lot of drivers and riders will be negatively affected by merger
74.	8 April 2018	[X]	CCCS Feedback Inbox	- The merged entity will be a monopoly leading to reduction of incentives and discounts to drivers and riders; - Cited China's experience with DiDi and Uber as an example, where drivers and riders are

				<p>seeing drop in earnings and increase in fares;</p> <ul style="list-style-type: none"> - Raised concern over reduced innovation as a result of the monopoly
75.	8 April 2018	[X]	CCCS Feedback Inbox	<ul style="list-style-type: none"> - Potential monopoly by merged entity; - Concerns over high prices charged by Grab; - Grab app down, expressed that consumers were still able to rely on Uber
76.	9 April 2018	[X]	CCCS Feedback Inbox	<ul style="list-style-type: none"> - Lesser options and choices of transportation for customers
77.	9 April 2018	[X]	CCCS Feedback Inbox	<ul style="list-style-type: none"> - Uber app cannot be connected to the server; - Potential monopoly by merged entity
78.	9 April 2018	[X]	CCCS Feedback Inbox	<ul style="list-style-type: none"> - Lesser competition due to the merger; - Difficulty getting taxis
79.	9 April 2018	[X]	CCCS Feedback Inbox	<ul style="list-style-type: none"> - Potential monopoly by merged entity; - Raised concerns that a lot of drivers and riders will be negatively affected by merger
80.	9 April 2018	[X]	CCCS Feedback Inbox	<ul style="list-style-type: none"> - Grab lowering driver incentives; - Concerns as a driver